

PN-ACB-818

USAID/Mali Strategic Plan

1996 - 2002



Administrative Divisions

-  Regions
-  Cercles
-  Regional Capitals

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ACRONYMS

ADS	Automated Directives System
AEDES	<i>Association Européenne pour le Développement et la Santé</i>
APEX	Animal Productivity and Export
ATLAS	African Training for Leadership Skills
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
CILSS	<i>Comité Permanent Inter-Etats de Lutte contre la Sécheresse dans le Sahel</i>
CLUSA	Cooperative League of the USA
CMDT	Compagnie Malienne pour le Développement du Textiles
CRSP	Cooperative Research Support Program
DHS	Demographic and Health Survey
DHV	<i>Développement du Haute Vallée du Niger</i>
ESAF	Enhanced Structural Adjustment Facility
EU	European Union
FEWS	Famine Early Warning System (USAID)
FSN	Foreign Service National
FY	Fiscal Year
GATT	General Agreement on Tariffs and Trade
GIEWS	Global Information and Early Warning System (FAO)
GDP	Gross Domestic Product
GRM	Government of the Republic of Mali
IMF	International Monetary Fund
NGO	Non-Governmental Organization
ORS	Oral Rehydration Salts
PADRES	Programs for Applied Development Research in the Sahel
PVO	Private and Voluntary Organization
SAP	<i>Système d'Alerte Précoce</i> (Malian national Early Warning System)
SAP	Structural Adjustment Program
SOMARC	Social Marketing of Contraceptives
TAACS	Technical Advisor in AIDS and Child Survival
UNDP	United Nations Development Fund
UNFPA	United Nations Population Fund

EXECUTIVE SUMMARY

Mali has embarked upon a path of social, economic and political liberalization that provides for an earnest development partner. The popular March, 1991 youth-led overthrow of the 23 year old one party state ignited an explosion of civic organizations (over 500 new NGOs registered), and of the free press (30 private radio stations and more than 80 newspapers and periodicals). Mali has made outstanding progress in economic reform, becoming the IMF's star pupil in the region. For the third consecutive year Mali has met or surpassed all of it's ESAF targets and is the only country in the region to have liberalized all consumer prices including those for food and fuel. Politically, more than 12 parties contested Mali's 1992 presidential election and outspoken opposition, expressed openly, remains common.

Isolated for so long, Malians are moving quickly to enter the mainstream of modern economic, political and social discourse. The government's strategy for accomplishing this transformation accords priority to the private sector as the engine of economic development and to a radically decentralized administrative structure as the basis for strengthening democratic governance. Four years after the revolution, these ideas have taken hold and begun to blossom. There is an air of pride and a sense of purpose in today's Mali.

US national interests are well served by support to Mali. The US foreign policy goals of preventive diplomacy and sustainable development are intended to avoid the "failed state". In a region aflame with failed or failing states (Algeria, Liberia, Sierra Leone, The Gambia, southern Senegal) Mali has emerged stable and optimistic. Peaceful resolution of it's own internal northern unrest and strong performance in reducing serious social and economic problems has made Mali into something of a role model for the region. The US has an interest in continuing to support Mali as a moderate and progressive state in a region scoured by civil conflict and threatened by Maghrebian fundamentalist influence.

But as Mali looks ahead to the start of a new century it must continue to struggle with the constraints of the past. With two-thirds of the population under age 25, and population growth spiraling out of control, Mali cannot now meet the basic needs of all its citizens. Producers poised to make the transition to a more dynamic economy are unable to take full advantage of last year's positive devaluation. The natural resource environment is fragile. Community level organizations, on which the government has pinned its decentralization hopes, are far from able to shoulder the development burden. And Malians--from the village to the boardroom to the presidency--lack vital information needed to achieve their goals.

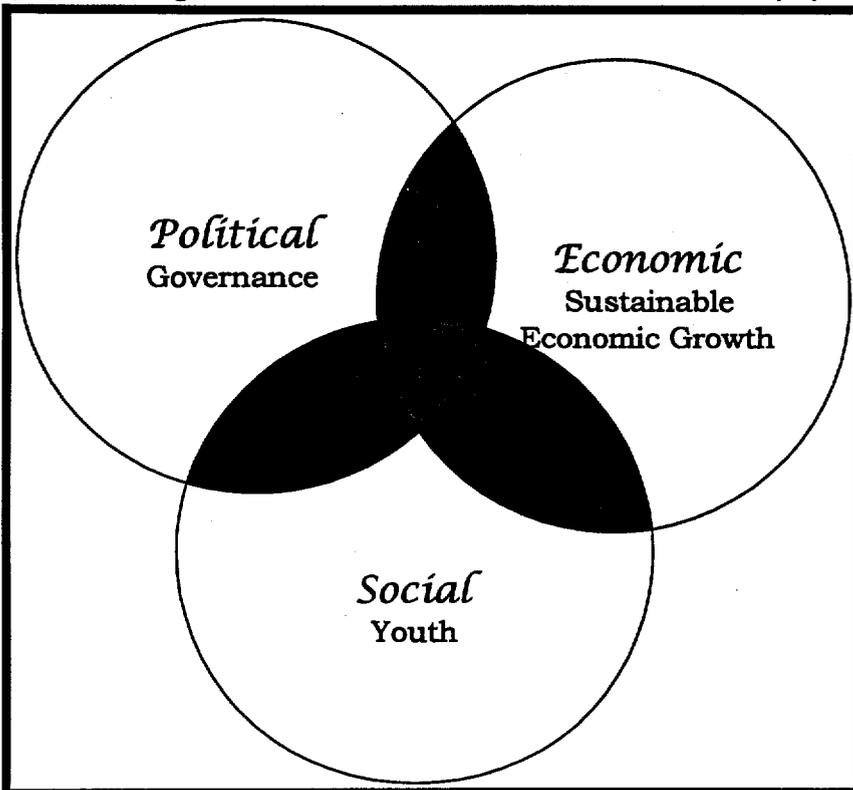
It is these pressing constraints that the USAID/Mali strategy is designed to address. The plan promotes a social focus on youth, a market-based economy, a democratic society and improved access and use of information. The strategic objectives counter the four major problems confronting Mali at the end of the 20th century, notably, excessive population growth and disease, poverty, ineffective centralized power, and ignorance. The plan directly

supports the Government of Mali's top priorities in the sectors of health, education and growth of the private sector.

USAID Mali's Vision, "More Mali, Less Aid," embraces the idea that Malians themselves are responsible for their country's development and that external foreign assistance should be diminished over time. This Vision is strongly shared by both our partners and customers. It is a positive declaration of a future of sustainable and stable development based on the mobilization of national resources.

The Vision translates into concrete form with the USAID Mali Goal statement; "Mali achieves a level of sustainable economic, political and social development that eliminates the need for concessional foreign assistance." Eliminating concessional foreign assistance means reducing the amount of concessional aid to no more than 1% of GDP (the present status of Turkey, the Dominican Republic or Thailand). This long-term goal provides the beacon towards which the entire USAID portfolio must be steered. To achieve this goal, Mali must concentrate on two key variables: it must significantly increase economic growth and dramatically reduce population growth. At current rates of economic and population growth, for example, it will

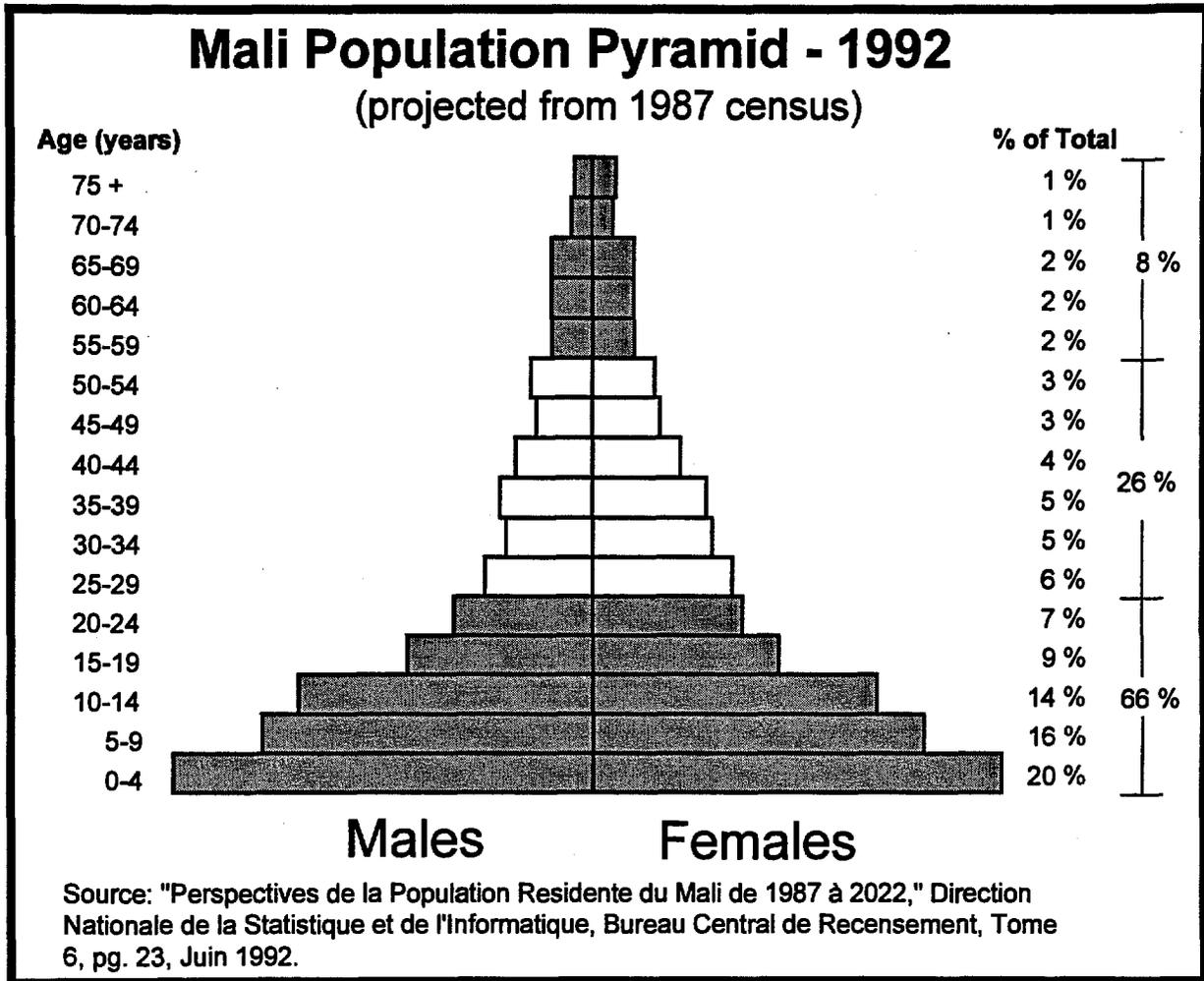
take 50 years for Mali to attain the per capita levels of today's Senegal, Cameroun or Ivory Coast. To attain the hoped for level of a Dominican Republic would take 93 years.



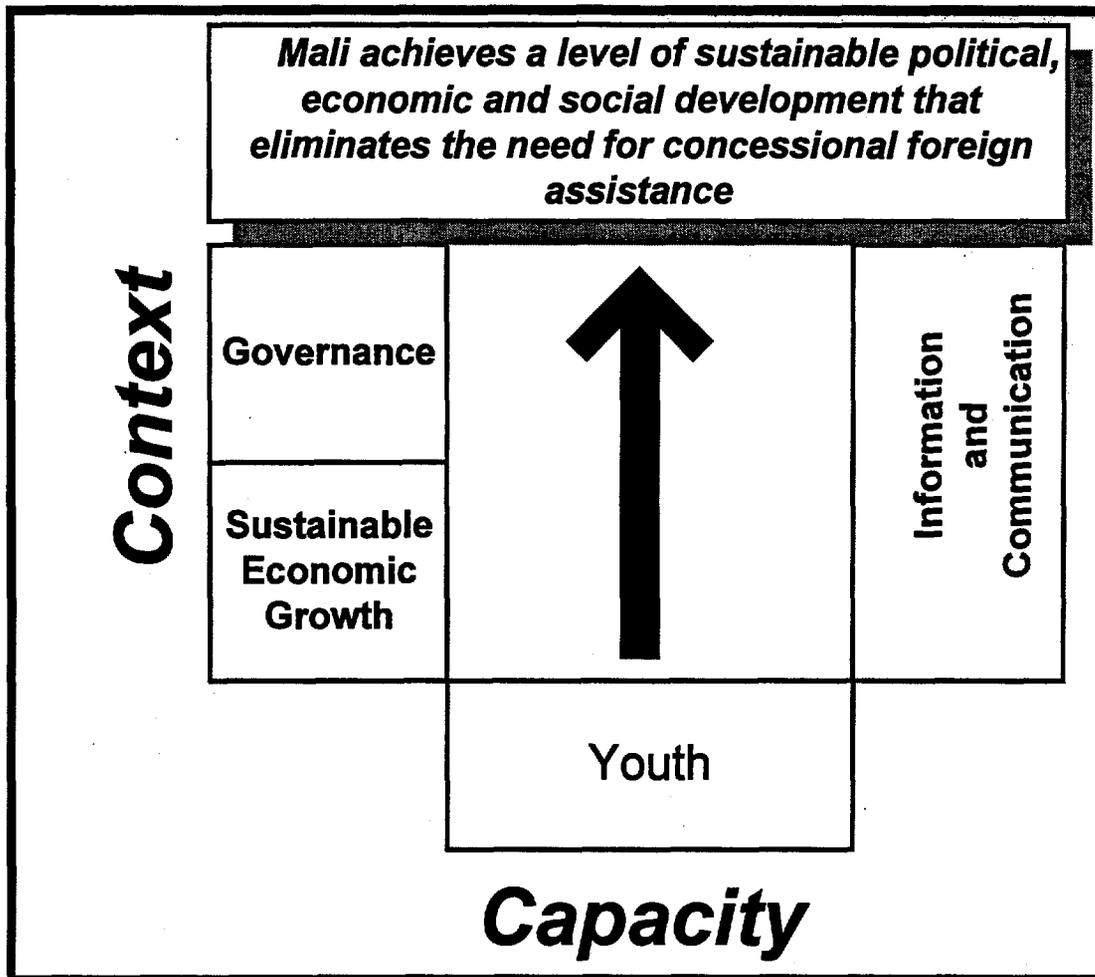
The USAID Mali strategic plan for the period 1996 to 2002 focuses on three highly inter-related strategic objectives within the social, economic and political realms. This idea can be best visualized in the Venn diagram at left. USAID Mali will work in the social realm to empower youth to become responsible and contributing citizens. In the economic realm, the USAID plan will focus on sustainable economic growth while the political realm will deal with

issues of good governance. The program will continually seek out activities which provide mutually reinforcing overlap between any combination of two and among all three realms.

The USAID/Mali program is people-centered. It aims to provide new skills and to change the behavior of generations of Malian youth. The situation is urgent, given the inexorable demographics of Mali's population pyramid (below) where two-thirds of the population are considered youth. But to be successful, to utilize new skills and behaviors, young people must grow into a world of expanding economic opportunity and sound democratic governance. The USAID program, therefore, focusses on mutually reinforcing activities which will, ultimately, enhance the ability of young people to satisfy their own rising expectations.



The diagram on the following page illustrates the underlying strategic hypothesis that building the capacity of successive generations to take advantage of improving economic, governance and information opportunities will lead to reduced need for concessional foreign assistance.



Youth Strategic Objective: *Youth utilize acquired skills and behaviors to meet their needs and those of society*

This strategic objective centers the USAID strategy on Malians. The hard reality of Mali's population pyramid compels the focus on youth. The four results packages currently planned under this strategic objective address the priority problems facing Malian youth today: reducing family size, keeping families healthier, educating girls and boys, increasing incomes and improving the natural resource base. The youth strategic objective is designed to be flexible, able to shift resources as priorities change. For example, ten years ago AIDS activities would not have appeared; in five years' time, investments in primary education might be shifted to secondary education. The youth strategic objective makes the largest claim on Mission personnel and financial resources.

Sustainable Economic Growth: *Increased value-added of specific economic subsectors to national income*

The economic growth strategic objective recognizes Mali's need to preserve its natural resource base to survive and to exploit it in order to prosper. The strategic objective will focus on increasing the contribution to national income coming from small and medium enterprises and agriculture. Concentration on these two sectors favors more equitable distribution of the benefits of growth. The second largest component of the strategic plan, this objective consists of four results packages aimed at increasing production and export of livestock and cereals, expanding financial services, and supporting fast-breaking opportunities in non-traditional economic activities.

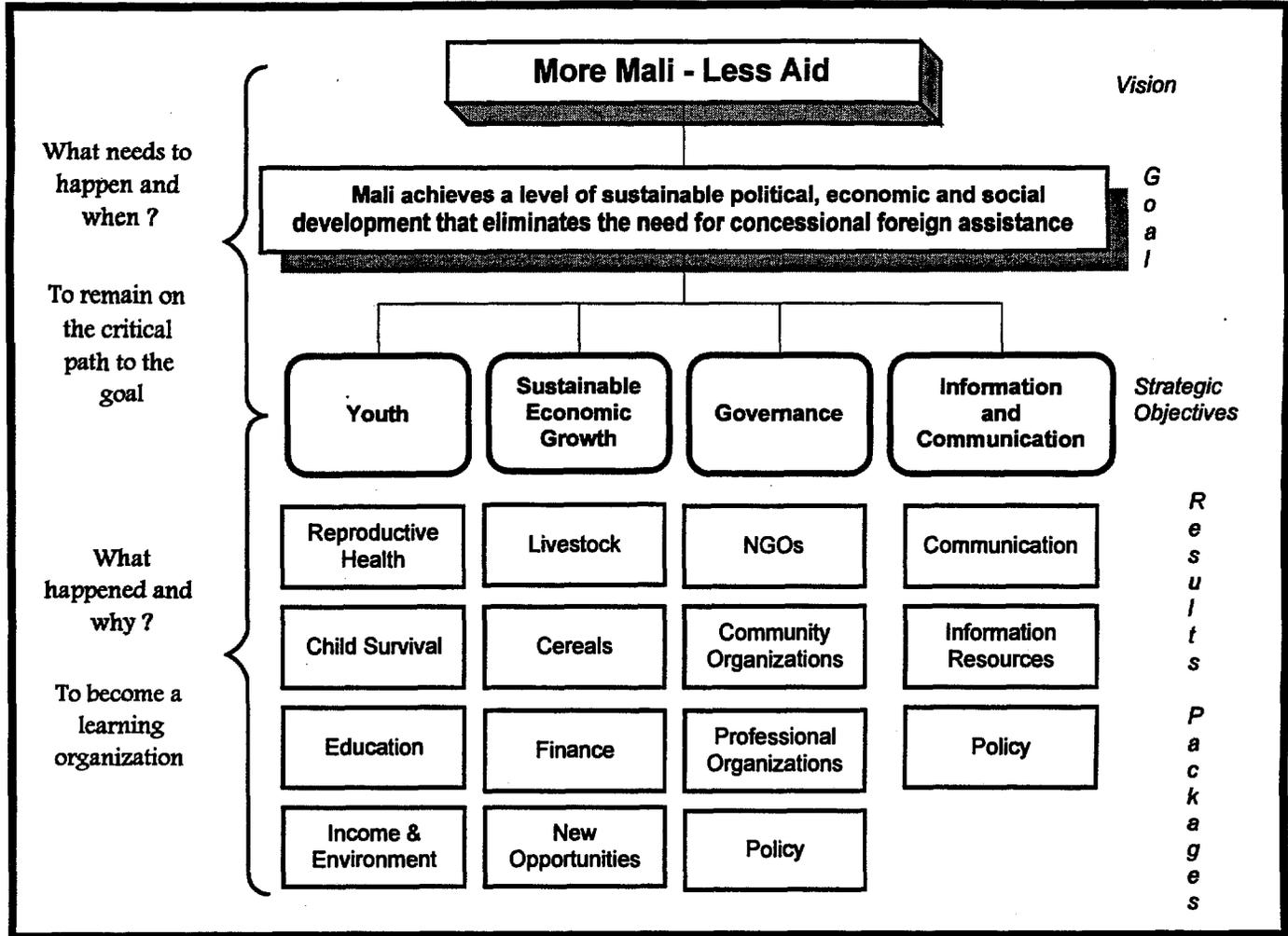
Governance: *Community organizations play a leading role in local development*

The governance strategic objective directly supports strengthening of the community organizations that are at the heart of Mali's decentralization strategy. USAID/Mali's program over the next seven years will focus on building civil society through local groups and associations. In order to make community organizations viable, the four results packages will focus on strengthening support organizations, such as NGOs, and creating a sound enabling environment. The governance objective claim on personnel and financial resources will be less than that for youth and sustainable economic growth.

Information and Communication: *Improved access to, and facilitated use of, information*

Information and communication is an exploratory **special objective** to increase both access and use of information to advance knowledge and respond to the increasing demand for information resulting from increased pluralism and liberalization. Information and Communication will likely command resources on the same or lower order than Governance. It will consist of one composite results package combining efforts to improve communication, provide information resources and create an enabling environment for the free flow of information.

To assure the Mission remains on-track to goal achievement and becomes a continuous learning organization USAID Mali proposes to create a **Results Center**. The Results Center will assure that USAID Mali learns, on an on-going basis, from results achieved and makes adjustments over time. The relationship of the Results Center to the Strategic Plan is represented by the left-hand side of the reduced Results Framework graphic presented below. At the level of the vision, goal and strategic objectives the Results Center is to determine what changes are needed to keep USAID Mali on the critical path to the goal ("what needs to happen and when"). At the Strategic Objective, Results Package and, eventually, Activities levels, the Results Center will monitor impact, report on results and evaluate causal relationships ("what happened and why").



The figure above summarizes a simplified version of the USAID Mali Strategic Plan and Results Framework. A battery of cross-cutting approaches, reflecting the Mission's fundamental values, powers this strategy. These values include decentralization and focus on the community level, private sector (both profit and non-profit) led growth, demand driven activities and flexibility. The plan recognizes our role--our comparative advantage--as an initiator and supporter of new ideas and not just a provider of funds.

Implementation of this strategic plan follows the three-way approach of the New Partnership Initiative by strengthening the role of non-governmental organizations (30% or more of USAID Mali's portfolio), empowering small businesses and entrepreneurs (35%), and bolstering democracy at the local level (15%). The remainder of the program will be implemented through private contractors or the Malian government.

PART I: ASSISTANCE ENVIRONMENT AND RATIONALE FOR PROGRAM FOCUS

A landlocked country centered between the Maghreb and a chain of nine, small nations along the western bulge of the African continent, Mali is primarily a natural resource-based economy in which cotton, livestock and cereals predominate, and gold mining is becoming increasingly important. Mali's arid northern half is unproductive Saharan desert that presently contributes little to economic growth. The Niger and Senegal river basins, in the eastern and western portions of the country, respectively, support a variety of cash and subsistence crops. Urban centers are characterized by a large, vibrant informal trading and commercial sector.

Compared to its southern and western neighbors endowed with more diverse natural resources, extensive infrastructure and greater human resource base, Mali appears significantly disadvantaged. In fact, because of the political will brought to bear on necessary political and economic reforms, Mali is relatively well-poised to benefit from the structural reforms undertaken. Since 1992 Mali has become a functional, but still fragile, democracy committed to decentralization. Over the same time period, the government has devoted itself to economic reform and continually met or surpassed targets set by the international financial institutions. Mali has become a "star pupil" of both economic and political reform as reflected in the June visit to Mali by the new head of the World Bank.¹ Given progress to-date, it is time to look beyond resolving short-term adjustment and stabilization matters to a more forward-looking, long-term growth and development program.

A. Relationship to US Foreign Policy Interests

The US foreign policy goals of sustainable development and preventive diplomacy are intended to avoid "failed states." The US must work with others to prevent these upheavals and Mali is just the type of partner to promote economic and political stability within an increasingly unstable region (Algeria, Liberia, Sierra Leone). USAID Mali's Strategic Plan seeks to prevent the emergence of a "failed state" in Mali, whose rescue and rehabilitation costs would be many times more than the proactive and preventive measures proposed. Mali's strategic plan focuses on the most likely sources of future instability in Mali: disillusioned young people, restrained by stagnant economic growth and frustrated by undemocratic governance. Mali's youth already exhibited their impressive power playing the key role in overthrowing the 23-year kleptocratic regime of Moussa Traoré. USAID Mali's design is to steer successive generations of Malian youth towards a future, steady middle-class that has a stake in society and its remaining stable, prosperous and democratic.

US interests in Africa are also served by the proposed program because Mali is one of the most ambitious reformers within the Francophone African world.² Mali's success with liberal reform in both the economic and political realms already serves as an example for other countries. Mali's rapid conversion to liberal political and economic systems is particularly striking given its historical, post-independence reputation as a heavily centralized, command

economy and one-party state. This contrast makes its reform achievements that much more credible.

B. Country Conditions

As Mali entered the final decade of the 20th century, dramatic change characterized the political, social, and economic conditions prevailing in the country. The March 1991 popular revolution ended one-party rule and led to a democratic transition period in which the right of association, outside of the single party, became codified for the first time in Mali. Coincident with these political and social changes was the increased commitment to a liberal economy with emphasis on the role of the private sector in stimulating growth. This liberalization phase has been followed by the move to a period of increasing privatization of the Malian economy.

1. Macroeconomic Trends

Mali's macroeconomic policy reform efforts and accomplishments stand at the forefront of any West African or Sub-Saharan country. The GRM has, in consultation with the IMF and the World Bank, clearly defined its macroeconomic agenda and made significant progress in meeting targets. Mali's record on financial and monetary reform of government finance, easing of regulatory requirements, privatization of parastatal entities,³ and trade liberalization matches that of any country on the continent. The GRM has used the occasion of last year's devaluation of the CFA franc to good advantage by reducing public expenditure to meet its structural adjustment and economic stabilization objectives.

TABLE I-1: Mali Macroeconomic Performance Indicators (1994)

Macroeconomic Indicators	Achieved	Target	Difference
Current Account Deficit	19% of GDP	20% of GDP	1% less of GDP
Fiscal Deficit	13.4% of GDP	15.1% of GDP	1.7% less of GDP
Bamako CPI	25% increase	40% increase	15% less
GDP Deflator	34.50%	35.10%	0.6% less
Real GDP Growth	2.40%	2.40%	met
Balance of Payments	\$145 million	-\$55 million	\$200 million
GRM Revenues	32.7% increase	31.8% increase	0.9% more
GRM Expenditures	57% increase	67.3% increase	10.3% less

Mali's recent macroeconomic performance has been outstanding with Mali meeting or exceeding key macroeconomic performance indicators in 1994, as Table I-1 above attests. Under both a Structural Adjustment Program with the World Bank and in the final year of a three-year Enhanced Structural Adjustment Facility (ESAF) with the IMF, Mali is presently in

good standing with both international financial institutions. The most recent IMF report for Mali stated that

Economic and financial developments under the program for 1994 have been...positive. All performance criteria and quantitative and structural benchmarks under the Fund-supported program were observed. The macroeconomic objectives for 1994 were also achieved, and in some instances exceeded.

Price liberalization has been achieved for all domestic produced and imported goods and services, including the crucial cereal sector where the last price (paddy rice) was liberalized in early 1994. The only agricultural commodity subject to negotiated producer prices is cotton.⁴

However, the bulk of Malian cotton is exported and the final price paid to producers is bound by world market determined prices. Under a performance plan signed by the government, cotton producers and the cotton company (CMDT), prices are to be determined annually and automatically relative to existing world market prices. The cotton subsector reported a 20 billion FCFA (\$40 million)⁵ profit in the 1993/94 season. The success of the liberalization campaign and the GRM's move to free-market led growth, expressed at the September 1994 donor roundtable on Mali in Geneva, serve to emphasize Mali's commitment to bringing the private sector to the forefront of the Malian economy.⁶

The Government has also taken steps to settle both domestic and international arrears. In 1994, the Government settled 9.9 billion FCFA (\$20 million) in arrears to the domestic sector, thereby reducing the private sector liquidity problem. Total remaining domestic arrears are estimated at 28 billion FCFA (\$56 million) and are scheduled to be settled by the end of 1996. Again quoting from the February 1995 IMF document; "*All external payment arrears were settled and domestic arrears were reduced more than planned.*"

The macroeconomic environment has ameliorated and set the stage for growth through investment. To achieve middle-income country status within a reasonable timeframe, Mali must obtain growth rates in per capita Gross Domestic Product (per capita GDP) that sufficiently exceed the population growth rate (3.2%) to result in real income growth. Improving upon the 1994 level of growth (2.4% in real GDP) requires additional macroeconomic adjustments and specific microeconomic activities to remove bottlenecks. In order to reduce dependence on concessionary external capital, the proportion of total domestic investment arising from domestic savings must increase since most present investment capital is provided by external sources. In an age of diminishing financial resources from abroad, Mali must increase its domestic savings rate to provide the investment capital to achieve the growth rates required to achieve middle-income country status.

2. Socio-political Trends

Mali entered the 1990's on the vestiges of two socialist governments, Keita (1960-68) and Traoré (1969-91). Both relied heavily on central planning and the ability of the State to

generate economic growth and development as defined in a series of five-year plans. Until the demise of communism in eastern Europe and the push of democracy in other African countries, organized opposition was weak, civil liberties were generally suppressed and change depended largely on the direction, and more often than not, arbitrariness, of the State. Violent youth-led protests in early 1991 toppled the Traoré regime and ushered in the transition government of General Amadou Toumani Touré (ATT). The transition government succeeded a year later in holding the first free, open, multi-party and fair elections in more than thirty years.

The new and current President, Alpha O. Konaré (AOK), has sought to redress the deteriorating economic and fiscal situation, which has recently begun to show improvement. Pressures brought about by the Tuareg rebellion in the north,⁷ student unrest in the capital, and internal problems in the governing political party have produced three changes of Prime Ministers since 1992. The current Prime Minister, Ibrahim Boubacar Keita, formed the present cabinet following the aftermath of the January 1994 devaluation of the CFA franc. Under his leadership, socio-political pressures have receded. For the first time since 1991, the school year was completed without incident. Civil liberties, most notably freedom of speech, freedom of association and the existence of a loyal, if outspoken, opposition are encouraging indications that Mali is making steady, satisfactory progress to an open and democratic society.

Mali's socio-political environment is characterized by increasing liberalization. The definitive turning point remains the March 1991 youth-led, popular revolution against the one-party state of Moussa Traoré. Since that time, Mali has witnessed an explosion of free press in both urban and rural areas.⁸ Private radio stations have begun transmitting in both rural and urban areas⁹ and the demand for information has soared. Releasing a society from the informational shackles of a one-party state has released pent-up demand for information throughout society..

After press and radio, it has become energy and telecommunications' turn to face increasing liberalization and privatization. In January 1995 management of the national energy parastatal (EDM) began under a four-year private contract. In May 1995, the Government Radio and Television Service (ORTM) signed an agreement with a group of private Malian investors to provide retransmission of satellite television in the Bamako area, offering direct competition with the government-run station. Another private sector communications group (*Klédu*) is negotiating for direct local broadcast rights in the Bamako area. In January 1995, a local private sector group (*Bintta Informatique*) began providing telecommunications services (e-mail, INTERNET, national database, etc.). In less than five months, this service has garnered over two dozen subscribers in Bamako and five regional capitals that seek regular and reliable contacts throughout the world on the Information Superhighway.

Mali's social sector is haunted by some of the lowest levels of social well-being in the world. While improving from 1986 to 1992 from the 4th to the 20th lowest per capita income in

the world,¹⁰ Mali remains 7th lowest in social indicators.¹¹ Most notable among these low social indicators is the lowest rate of primary school enrollment in the world.¹² Donor and government commitment and investment over the last decade have raised Mali's adult literacy rate above those of neighboring Burkina and Niger, but it remains low by world standards.¹³ The 1992 population growth rate of 3.2% per year, with 20% of births from women under 20 years of age,¹⁴ places Mali among the fastest growing populations in the world. While Mali has one of the highest rates of ORS access in Africa (95%),¹⁵ it retains the highest reported maternal mortality rate with 2,325 out of 100,000 mothers dying at birth.¹⁶

3. Constraints and Opportunities

At the halfway point of the 1990's, Mali has been affected by strong trends in its political, economic, social and technical life. These compelling trends will have direct impact on the future of the Malian economy and society. The proposed USAID Mali Strategic Plan reflects the need to strategically respond to these external shocks to Malian society. In considering this longer-term view, the Mission has identified four fundamental areas in which USAID must be active to achieve the long-term aims expressed in the Vision and Goal statements.

a. Inexorable Population Growth

The Malian population dynamic for the next decade is already in place and reflected in the high percentage of young people in the country. The passage of these young people and subsequent cohorts into adulthood will be the single most influential factor in determining Mali's future. The present and future Malian population will depend on the health, educational, political and economic status of this segment of society. Prior to the 1991 revolution Mali severely neglected its educational infrastructure and policy in the post-independence period. This neglect has Mali poorly positioned to capture benefits as the world enters the Information and Knowledge Age of the 21st century.

USAID Mali's strategy focuses resources on the major cohort of the Malian population: young people less than 24-years old. If Mali is to remain stable and prosper, Malian youth must change their attitudes towards health and environmental problems and become more productive. By focusing efforts on present and future generations, a leverage effect on the overall impact of our efforts will provide additional benefits as individuals leave this target group to become productive and participative citizens in Malian society.

Development of the human resources in this younger generation through education and training is the basis for sustainable economic growth and leads to less dependence on external sources of assistance. Increased educational levels are tied to other social indicators such as lower infant mortality and economic growth. Mali's education indicators being among the lowest in the world, USAID Mali will address the development of human capacity, through both basic and vocational education, as an integral part of its Strategic Plan.

b. Transition to Externally-Oriented, Natural Resource-Based Economic Growth

The Malian economy has also experienced significant change during the first half-decade of the 1990's. The devaluation of the FCFA from its 40-year fixed parity with the French Franc (from 50 to 1 to 100 to 1) in January 1994 dramatically changed the economic and financial environment in Mali. Where imports had been favored due to the overvalued exchange rate, the new incentives argue for an outward orientation and favors export-led growth. The need for increased growth rates also argues for an outward oriented economy given that sustaining growth at this level cannot be obtained from the domestic economy alone. Transition from an inwardly-oriented economy with an overvalued exchange rate to an export-oriented economy favored by a realistic exchange rate has not been and will not be frictionless. USAID Mali's economic growth activities seek to relieve the friction of the transition and remove those obstacles that impede a sustainable supply response in the post-devaluation period.

Current major exports are cotton, livestock and cereals with gold becoming increasingly important. The mining sector indicates the positive impact on investment of a more stable economic and political environment in Mali with the influx of direct foreign investment by international gold mining firms.¹⁷ According to the IMF, Mali has the potential to export up to 20 tons of gold per year for the foreseeable future.

USAID Mali's strategy recognizes that for the foreseeable future Mali's economic growth will continue to be natural resource based, but economic actors must begin to focus on an outward orientation in seeking market opportunities. The recent conclusion of the GATT negotiations, with increased openness in international trade, reinforces this strategic approach. The focus of this program will be to achieve sustainable economic growth through activities that do not jeopardize future generations by preserving, conserving and intelligently exploiting the basis of Mali's growth prospects; natural resources.

c. Strengthening Decentralized Democratic Governance

The 1991 revolution initiated a wide-open discourse on the future of the Malian political entity. After a transition period of 15 months and open democratic elections in June 1992, the Mali body politic is now cited as one of the political success stories of Africa in the post-Cold War era. This opening of the body politic has had several major repercussions with a very open and active press, the growth of urban and rural radio, plus the promise of liberalization of the television airwaves, and telecommunications. Most importantly, Malians now have the rights of association and free speech which had been denied under the one-party system and have resulted in a profusion of new groups and associations.

At the forefront of this increasingly liberalized political climate is the move away from the post-colonial centralized regime to more decentralized governance with creation of the local political administrative unit, the commune. USAID Mali's proposed strategy will build upon this move to decentralization and reinforce its effectiveness by focusing governance activities on the development of community organizations to enhance their ability for self-determination

and to limit the abuse of power. USAID will strengthen community groups to advocate and lead in collaboration with the new commune leadership.

d. *Poverty of Information*

The Information Age has arrived in Mali. Although its impact on Malian society, at present, is limited, its potential importance within the five to seven year timeframe of this strategic plan cannot be overlooked. Throughout its history Mali has been ignored by some of the major technological ages of man (Industrial Revolution, Green Revolution, etc.). Mali cannot afford to miss the next major technological change through the information and knowledge revolution. Mali's commitment to liberalized political, economic and social environments has greatly increased the demand for timely access and dissemination of information, from the village to the Presidency and the boardroom. Information and dissemination are required to promote freedom of information, participate in the emerging global economy, and inform decisions about social investments.

To respond to increased demand for improved availability and access to information in Mali, USAID proposes a special objective in Information and Communication. USAID will exploit the target of opportunity provided by US experience and leadership in information technology and Mali's expressed demand for same. The USAID approach is private sector oriented, demand driven, and seeks synergies in support of the three strategic objectives of the overall strategic plan.

4. Host Country and Regional Priorities

a. *Host Country Strategy*

The Strategic Plan presented to the Geneva Roundtable of Donors in September 1994 by the Government of the Republic of Mali (GRM) placed human resource development (especially basic education) and reducing population growth rates as its highest priorities. The present government has also reached consensus that the State must divest itself of all production and marketing of non-strategic goods and services and promote an environment conducive to private sector led growth. The private sector has been formally identified as the preferred engine of economic growth. These commitments to human resource development and private sector-led growth, coupled with the decentralization policy being put in place, are intended to create conditions for a responsive and responsible participation of civil society (i.e., everything above the family and below the lowest level of government) in deciding the course and direction of development. USAID Mali's Strategic Plan with its emphasis on youth for developing human capacity and stimulating behavioral change, private sector led economic growth, broadening and deepening civil society at the community level, and open access and use of information is fully compatible with the GRM's strategy.

b. *Regional Priorities*

The regional perspective of viewing West Africa as an integrated whole, rather than just focusing on the Sahel, and subsector focus to addressing trade issues, expressed by the

Africa Bureau's West Africa Office (AFR/WA) in their strategic plan, is fully coherent with Mali's future and USAID Mali's approach in both the population and economic growth areas. Mali is poised to become the "breadbasket" of western Africa. Though not a pole of development itself, it is well placed to supply both northern and coastal countries with foodstuffs and to continue century-old traditions of long distance trade. USAID Mali shares specific regional goals, objectives and targets with the AFR/WA plan, specifically, population, food security and the environment, market development, and governance. The Youth Strategic Objective of the Mali Strategic Plan provides many opportunities for synergistic collaboration between its various Results Packages and regional activities.

The USAID Mali mission has day-to-day management responsibilities for two Sahel Regional Program (SRP) projects with CILSS institutions located in Bamako; CERPOD (*Centre d'Etudes et de Recherche sur la Population pour le Développement*) and INSAH (*Institut du Sahel*).¹⁸ The Mission fully intends to continue to honor these oversight commitments.¹⁹ The Famine Early Warning System (FEWS III) project will continue to maintain its western sahel regional office at USAID Mali. Regional and Global research support programs, such as the Collaborating Research Support Programs (CRSP), will continue to provide complementary institutional support to Malian institutions. The Mission will fund research on a bilateral basis to the extent that it complements the overall strategic plan.

5. Other Donors

Mali's commitment to social, economic and political liberalization has attracted the enthusiasm of both multilateral and bilateral donors. The major multilateral donors include the World Bank, the International Monetary Fund and the eight United Nations Agencies. Mali's continuing commitment to reform has kept them in good graces with the two international financial institutions (World Bank and IMF). The World Bank is planning to provide 139 billion FCFA (\$278 million) over the 1995-97 period while the IMF figures to provide 22.8 billion FCFA (\$45.6 million) under the third tranche of the present ESAF program. Principal bilateral donors include France, the European Union, Germany, Canada and Holland. Switzerland, Italy, Belgium and Norway have smaller programs.

The donor community in Mali collaborates well, meets often, and maintains good working relations. USAID's strategy leaves major macroeconomic reform to the specialized international financial institutions with Mission policy reform interventions being sectorally based to support the broader reforms. USAID meets regularly with UN agencies and bilateral donors to discuss policy reform and investment decisions in the important population, health, education and cereals sectors. In population and health, USAID leads in family planning, while other donors (France, European Union and Canada) focus on essential medicines. All donors in this sector are involved in the World Bank coordinated, multidonor Health, Population and Rural Water Project. USAID is also the leading donor in AIDS, with additional assistance from France, Switzerland and UN agencies. A similar situation holds in the education sector where the World Bank coordinates a multidonor Education Sector Consolidation Project in which USAID focuses on strengthening community involvement and

increasing girls enrollment. USAID complements major production investments by European donors (France, Holland, Germany and the European Union) in the irrigated rice subsector by focusing assistance on marketing, trade policy and reform.

C. Customer and Partner Influence on the Strategic Plan

The conscious decision to engage in a participatory design process resulted in direct impact of partners, customers and stakeholders throughout this strategic plan. For example, the USAID Mali Vision Statement was proposed by an FSN member of the USAID Mali Management Office. This Vision Statement galvanized USAID Mali and anyone inquiring of the Vision from USAID Mali staff would get the reply, "*More Mali, Less Aid.*" Other notable illustrative impacts at the vision, goal, and strategic objective levels are presented below, while a full recounting of customer, partner and stakeholder meetings is provided in Annex B.

The Youth Strategic Objective added the 20 to 24 year-old and 0 to 5 year-old age groups at the insistence of partners, customers and stakeholders to take account of Malian realities. Positive feedback from neighboring USAID Missions during a Regional Review solidified commitment to "outside the box" thinking that had focused social interventions on changing the behavior of a demographic group (youth), rather than traditional technical breakdowns that would lose the synergy sought through an interdisciplinary approach. USAID Mali's previous experience and structure by technical expertise had produced a turf-conscious Mission comprised of technical divisions not working together as teams to achieve commonly shared objectives.

Continued demand by partners and customers for financial services support (microenterprise, cereal marketing, trade finance, etc.) resulted in a relatively large proportion of financial and human resources being devoted to this subsector. Partner comments reinforced USAID's support for natural resources management as the basis for economic growth in Mali and the role of the private sector as the engine for that growth. Inclusion of Governance as a strategic objective was the direct result of insistence by Malian partners, customers and staff. Focus group discussions emphasized the importance of the nascent democracy in Mali, its fragile status, and need for broadening and deepening of civil society. They resulted in Governance becoming a Strategic Objective and not a cross-cutting theme.

Direct discussions with potential partners convinced the Information and Communication Special Objective to act as a provider of ideas, providing technical assistance and support, and sharing informational resources to stimulate demand for existing services. USAID Mali committed itself to linking our AIDNET network to MaliNet²⁰ before the end of calendar 1995, providing regular contact with partners and customers, sharing resources with them, and promoting "horizontal" communication within the local development community. Another significant comment from partners and customers was the lack of knowledge on how to manage and use existing information which resulted in the inclusion of "access and use" within the strategic objective statement. Enthusiastic support from neighboring Missions solidified Information and Communication's position as a Special Objective rather than a

cross-cutting theme. Both Niger and Senegal Missions stated keen interest in similar initiatives and requested additional information on Mali's reflections to-date. Other cross-cutting working groups, specifically gender, decided they would have greatest impact and results by remaining cross-cutting themes, given the direction and content of other strategic objectives.

Overall, USAID Mali learned that our partners were extremely interested at the goal and strategic objective levels. Once agreement on general direction and specific objectives was obtained, most partners focused attention on the mechanisms of providing assistance and how these could be improved. Customers were much more focused on the activity level of the strategic plan.

Vision

More Mali - Less Aid

Goal

Mali achieves a level of sustainable political, economic and social development that eliminates the need for concessional foreign assistance

Strategic Objectives*

Youth

Sustainable Economic Growth

Governance

Information and Communication

S.O. Statement *Youth utilize acquired skills and behaviors to meet their needs and those of society*

Increased value-added of specific economic subsectors to national income

Community organizations play a leading role in local development

Improved access to, and facilitated use of, information

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Quality reproductive health services benefit youth

Increased value-added in the livestock subsector

Strengthened institutional capacity of community organizations

Expanded communication of information

Young parents capable of insuring child survival

Increased value-added in the cereals subsector

Strengthened institutional capacity of non-governmental organizations

Selected organizations obtain and use current development information

Increased gender equity in and expansion of basic and vocational education

Increased savings mobilization and credit

Strengthened institutional capacity of professional, civic and trade associations

Enhanced enabling environment

Youth increase their incomes and improve their environment

Widen and diversify economic output

Enabling environment supportive of community organizations

USAID Mali Strategic Plan August 1995

* Information and Communication is a Special Objective

PART II: PROPOSED STRATEGIC PLAN**A. Country Vision, Goal and Subgoals****Vision Statement***More Mali, Less Aid*

USAID Mali's Vision Statement, "More Mali, Less Aid," reflects the long-term goal of declining dependence on foreign assistance in Mali. Inspiring to our proud Malian staff, it embodies the idea that Malians wish to become masters of their own development and strive for the day when outside assistance will no longer be needed. This succinct statement of the Vision was translated into a more concrete and measurable goal statement.

Goal Statement

Mali achieves a level of sustainable economic, political and social development that eliminates the need for concessional foreign assistance.

The USAID Mali Goal "Mali achieves a level of sustainable economic, political and social development that eliminates the need for concessional foreign assistance" expresses the spirit of the Vision Statement and reflects the common theme of reduced dependence on concessional foreign aid in Mali. The Goal Statement goes further to identify the three priority realms (social, economic and political) within which USAID Mali will support progress towards the Goal. All involved (USAID, partners and customers) support and encourage this Goal. Direct statement of intent to reduce dependence on concessional foreign assistance in both the Vision and Goal served to focus thinking on what needs to be done to achieve this long-term result. It also serves to emphasize that USAID alone cannot achieve this result and such a high level development result requires the concerted effort of partners and customers.

USAID Mali sought to ground the goal sentiment in reality by examining cross-country experience of countries that had moved beyond overdependence on foreign assistance. The resulting cross-country comparisons of relative levels of development and associated importance of foreign assistance found inverse proportionally. As countries developed (measured by increasing per capita income) the percentage of GDP from foreign assistance declined to 1% or less. Low-income countries, including Mali, averaged around 18% of GDP from concessional foreign assistance. This provided a measurable indicator for the expressed goal statement; Mali's dependence was reflected in the high percentage of GDP derived from concessional foreign assistance and the goal is to reduce this dependence. This result would be characterized by movement by Mali from among the poorest countries in the world to the ranks of middle-income countries that have access to world capital markets and foreign direct investment to complement domestic capital. The progression sought by USAID and its partners is to move Mali from a "basic human needs" customer of external assistance to a more sophisticated consumer of assistance like Morocco or Tunisia (see Table II-1, next page).

TABLE II-1: Cross Country Comparisons

Country Group Classifications				
Based on Per Capita GNP				
	Selected Countries	World Bank Country Classifications	Per Capita GNP 1992	Off-Dev. Assistance 1992
1	Low Income Countries Incl. C & I		\$390	2.7%
	China		\$470	0.5%
	India		\$310	1.2%
2	Low Income Countries Excl. C & I	W.B. Group Threshold: ---		7.0%
		W.B. Group Average: \$370		
	Mozambique		\$60	75.5%
	Niger		\$280	16.5%
	Burkina Faso		\$300	15.6%
	Mali		\$310	18.6%
	Nigeria		\$320	0.8%
	Benin		\$410	13.6%
	Ghana		\$450	11.3%
	Guinea		\$510	12.6%
	Mauritania		\$530	20.2%
	Egypt		\$640	16.5%
	Indonesia		\$670	1.6%
	Selected Group Average		\$407	18.4%
3	Middle Income Countries		\$2,490	0.7%
4	Lower Middle Income Countries	W.B. Group Threshold: \$ 670+		1.8%
		W.B. Group Average: \$1,395		
4.a.	Group I:			
	Cote d'Ivoire		\$670	8.7%
	Senegal		\$780	10.0%
	Cameroon		\$820	4.3%
	Group I Average:		\$757	7.7%
4.b.	Group II:			
	Morocco		\$1,030	3.9%
	Dominican Republic		\$1,050	0.9%
	Thailand		\$1,840	0.8%
	Turkey		\$1,980	1.7%
	Group II Average:		\$1,623	1.1%
	Tunisia		\$1,720	2.4%
5	Upper Middle Income Countries	W.B. Group Threshold: \$2,670+		0.1%
		W.B. Group Average: \$4,100		
	Brazil		\$2,770	0.0%
	Malaysia		\$2,790	0.6%
	Mexico		\$3,470	0.1%
	Korea		\$6,790	0.0%
	Selected Group Average		\$3,955	0.2%
Source: World Development Report 1994				

The timeframe for goal achievement depends upon simultaneously increasing the economic growth rate while reducing the population growth rate to achieve positive real, population adjusted rates of economic growth of 3 to 4%. Table II-2 presents scenarios for Mali's real GDP and population growth rates. These scenarios are sobering. For example, 5% real economic growth and 3.2% population growth rate result in reaching Côte d'Ivoire's level of development in 50 years.

TABLE II-2: Duration Scenarios for Different Economic and Population Growth Rates

	GROWTH RATES			Years to Attain Per Capita GDP Level		
	GDP	Population	Real Per Capita GDP	\$757 [1]	\$1,623 [2]	\$3,955 [3]
I	3%	2.7%	0.3%	...	...	...
	5%	2.7%	2.3%	39	73	112
	7%	2.7%	4.3%	21	39	61
	10%	2.7%	7.3%	12	24	37
II	3%	3.0%	0.0%	...	...	...
	5%	3.0%	2.0%	45	84	129
	7%	3.0%	4.0%	23	42	65
	10%	3.0%	7.0%	13	25	38
III	3%	3.2%	-0.2%	...	...	...
	5%	3.2%	1.8%	50	93	143
	7%	3.2%	3.8%	24	44	69
	10%	3.2%	6.8%	14	25	39
IV	3%	3.5%	-0.5%	...	...	...
	5%	3.5%	1.5%	60	111	171
	7%	3.5%	3.5%	26	48	74
	10%	3.5%	6.5%	14	26	41

[1] Côte d'Ivoire, Cameroun and Sénégal

[2] Dominican Republic, Thailand and Turkey

[3] Brazil, Malaysia, Mexico and Korea

This exercise focuses attention on the job at-hand and guides debate in productive directions. A major conclusion of this exercise is that the goal only becomes attainable by focusing on reducing population growth and increasing economic growth.

An intermediate measure of progress towards goal attainment would be the percentage of government recurrent expenditures covered by national resources. The Minister of Finance already announced his goal of attaining full coverage of national recurrent expenditures by domestic resources in 1997. This benchmark toward progress would be complemented by the percentage of the national investment program resulting from external versus domestic

resources. Even as the GRM gains control over domestic financial balances donors will continue to be the major source of investment finance in the country for the medium-term. However, the goal remains gradual reduction of the importance of concessional external assistance, as measured by percentage of GDP and total investment.

a. Population Sub-goals

The population growth rate must be reduced from the present 3.2% to achieve the stated goal. Reducing the rate of population growth is a prerequisite for Mali to become a lower middle-income country. The present high population growth rate (3.2% per annum) is a major constraint and must be reduced to below 3.0% to optimize the path to goal attainment. Similarly, the crude birth rate must be halved from its present 50 per 1000. The percentage of women using contraception must increase 12 fold from the present level of 5%, if the goal is to be attained.

Sub-goal #1: Population Growth Below 3.0%

- *crude birth rate reduced to 25 per 1000*
- *percentage of women using contraceptives increases 12-fold*

b. Economic Sub-goal

To achieve the goal of reduced dependence on external foreign assistance Mali must achieve an overall real rate of economic growth of 5% or greater on an annual basis. Growth rates of greater than 5% can and have been achieved by developing countries that have outward (market) orientations, invest in human capital development and benefit from existing technology developed elsewhere in the world.

Sub-goal #2: Economic Growth Above 5.0%

- *domestic savings rate increased to 15% of GDP*
- *foreign direct investment as a percent of GDP becomes positive*

Mali's present savings rate must also be improved. In 1992, Mali's gross domestic investment was equivalent to 22% of GDP, a similar level to that found in middle and upper-level income countries. However, the bulk of Mali's investment (17%) came from external sources with only 5% arising from domestic savings.²¹ This level of dependence on external sources of investment savings must be reversed to achieve the stated goal. Foreign direct investment as a percentage of GDP provides an additional indicator of goal attainment. In 1992, Mali's foreign direct investment was negative (-0.28%), implying that foreign capital was leaving the country.²² The political instability of that period partially accounts for this negative flow of foreign direct investment and highlights the importance of political stability in promoting savings, investment and growth. Additional goal level indicators are presented in Table II-3 and Annex G.

c. Duration of USAID's involvement in Mali

The duration of USAID presence depends upon the progress Mali makes towards achieving the stated and shared goal. The goal-level analysis presented above implies a minimum of two generations must pass before Mali achieves the level of development of countries that have graduated from concessional foreign assistance. Most countries that have graduated to middle-income country status have less than 1% of GDP from concessional foreign assistance. Mali's present level of foreign assistance is 18%.

TABLE II-3: Economic and Population Goal Level Indicators

			ECONOMIC						POPULATION AND FERTILITY				
			Per Capita GNP (\$)	Percent of Gross Domestic Product						Pop. Growth Rate	Crude Birth Rate per 1000	Crude Death Rate per 1000	Married Women Using Contraception
				Gross Dom. Inv.	Gross Dom. Sav.	For. Sav.	Official Dev. Asst.	Official Grants	Foreign Direct Invest.				
				1992	1992	1992	1992	1991	1992				
1	Selected Countries	Niger	280	5%	2%	4%	16.5%	10.8%	0.00%	3.3%	52	19	4.0%
		Burkina Faso	300	24%	5%	19%	15.6%	8.5%	0.00%	3.0%	48	18	8.0%
		Mali	310	22%	5%	17%	18.6%	8.6%	-0.28%	3.2%	50	18	5.0%
		Nigeria	320	18%	23%	-5%	0.8%	0.5%	3.02%	2.8%	43	14	6.0%
		Guinea	510	16%	9%	7%	12.6%	5.2%	0.00%	2.8%	48	20	...
		Cote d'Ivoire	670	9%	14%	-5%	8.7%	2.7%	0.56%	3.5%	45	12	...
		Cameroon	757	11%	10%	1%	7.7%	3.6%	0.22%	3.0%	43	13	11.5%
		Senegal	780	13%	7%	6%	10.0%	5.6%	0.00%	2.6%	41	15	7.0%
2	Selected Groups of Countries (Income)	Low	407	18%	10%	8%	18.4%	6.7%	0.81%	2.7%	43	16	14.3%
		Lower Middle Group I	757	11%	10%	1%	7.7%	3.6%	0.22%	3.0%	43	13	11.5%
		Morocco	1,030	23%	17%	6%	3.9%	...	...	1.8%	28	8	42.0%
		Tunisia	1,720	26%	21%	5%	2.4%	...	...	2.2%	30	7	50.0%
		Lower Middle Group II	1,623	29%	24%	5%	1.1%	0.7%	1.42%	1.6%	25	6	59.5%
		Upper Middle	4,654	25%	24%	1%	0.2%	0.0%	2.35%	1.2%	21	7	66.5%
3	Goal Level Targets	High	21,947	20%	21%	-1%	...	...	...	0.5%	13	9	77.0%
		Now	310	22%	5%	17%	18.6%	8.6%	-0.28%	3.2%	50	18	5.0%
		Interim Target	1,475	23%	15%	8%	8.0%	4.0%	1.40%	2.7%	40	13	40.0%
		Final Target	4,359	25%	25%	0%	0.0%	0.0%	2.35%	2.2%	30	9	60.0%

B. Linkage to Agency Goals and Objectives

The Agency's four goals are to (1) stabilize population growth rate and protect health; (2) promote sustainable economic development; (3) reduce threats to the global environment and (4) promote democracy and governance. USAID Mali's strategic plan directly addresses all four of these goals through the Youth, Sustainable Economic Growth, Governance and Information and Communication objectives.

Youth Utilize Acquired Skills and Behaviors to Meet Their Needs and Those of Society

- % of 15 to 24 year-olds in market-oriented activities (ex., school, non-farm employment, etc.)
- functional literacy level (total, male, female)

- median age at first birth (20 to 24 year olds, 25 to 29 year olds)
- life expectancy at birth

*Results
Packages*

<p>Quality reproductive health services benefit youth</p>	<p>Young parents capable of insuring child survival</p>	<p>Increased gender equity in and expansion of basic and vocational education</p>	<p>Youth increase and improve their incomes and environment</p>
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- % of last pregnancies which were unwanted among women in union & not in union (15-19, 20-24, & 25-29 year olds)
- unmet need for contraception among women in union & not in union (15-19, 20-24, & 25-29 year olds)
- AIDS prevalence in the general population, among high risk populations (prostitutes), and pregnant women

- infant mortality rate (0 to age 1), (q_0)
- child mortality rate (0 to age 5), (q_5)
- maternal mortality ratio (per 100,000 births)

- literacy & numeracy rate among youth (total, male, female)
- primary school gross enrollment rate (total, male, female)
- primary school completion rate (total, male, female)
- male:female ratios (gross enrollment & completion rates)
- # of graduates entering the labor market

- youth groups directly involved in local community development
- youth groups have access to credit and financial services
- improved health & environmental knowledge, attitudes and practices (KAP) among youth
- decreased out-migration of youth in rural areas

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<p>Strengthened enabling environment</p>	<p>Strengthened pre-natal, delivery and post-natal care</p>	<p>Increased access to basic education</p>	<p>Strengthened institutional capacity of youth groups</p>
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<p>Integrated reproductive health services are accessible to youth</p>	<p>Improved management of major childhood health risks</p>	<p>Improved quality & efficiency of basic education system</p>	<p>Youth groups develop & implement social sector IEC activities</p>
<p>Increased availability of health information and operations research</p>		<p>Increased enrollment & retention of girls in primary school</p>	<p>Youth support local community development</p>
		<p>Vocational & technical institutions provide market-relevant training</p>	

IEC = Information, Education and Communication

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C. Youth: Youth utilize acquired skills and behaviors to meet their needs and those of society.

The Youth Strategic Objective assures that the Mali program is oriented to people level impact. It results from analysis of the demographic, social and political realities faced by Mali at the end of the 20th century; the undeniable dynamic of Mali's population pyramid, the world's lowest rate of primary school enrollment,²³ and the potential for internal instability. Today's youth, flush from their significant role in the downfall of the *ancien regime*, have the potential to become either a positive or negative force for societal change. To assure their impact is positive requires access to reproductive health services, improved child survival, gender equitable access to education, economic opportunity and environmental awareness. Otherwise, they could easily become a continual disruptive, rather than composed, social force. Investing in youth provides the social capital required by successive generations to reduce population growth and contribute to a democratic, market-driven society in a healthy environment.

1. Youth Strategic Objective

Early in the re-engineering process USAID Mali realized traditional vertical, sectoral ("stovepipe") programs would not afford sufficient impact on Malian society to achieve the profound behavioral changes required to reach its vision and goal.²⁴ USAID programs would have to change the behavior of a generation to achieve the goal. Further discussions with partners, customers and at the Mission focused on Malian youth as the pivotal cohort within Malian society. The multi-sectoral Youth Strategic Objective targets the youth of a nation as the key demographic group to affect the change needed in society to achieve the goal and vision over time. The working hypothesis of this strategic objective is that an integrating approach focused on a demographic group, rather than the traditional sectoral approach, will yield greater results. A youth-centered target is a moving one; allowing the program to gain strength from the force of population momentum, rather than attempting to resist it.

Greater results will be achieved through synergies and subsequent reinforcement of interim results. These synergies are based on assumptions regarding behavioral change. For example, increased girls' education is assumed to result in re-evaluation of the number of children desired, leading many to choose less children. Decreased fertility allows women more options and with children spaced at better intervals women can continue working. Increased family income from women's participation in the remunerated workforce improves the standard of living, which in turn supports Malian development.

a. Statement and Timeframe

The Youth Strategic Objective statement is that:

Youth utilize acquired skills and behaviors to meet their needs and those of society.

The timeframe of this strategic objective is seven years, although the generational focus implies a longer-term perspective in terms of total expected impact. The Youth Strategic Objective seeks to create the capacity within Malian youth to participate fully within society and to fulfill their expectations. This strategic objective is expected to continue in subsequent strategic plans with results and activities changing as the needs of Malian youth evolve. This flexibility allows for new interventions over time. The current interventions are judged to be of the highest priority to Malian youth today.

2. Problem Analysis

Two-thirds of Mali's population pyramid is under the age of 25. The fast approaching impact of the sheer demographic dynamics of Mali's young people undeniably compels a major focus on youth. The "population momentum" created by a large base of young people within Mali's population pyramid results in ever increasing population size as more women enter their reproductive years and bear children. Providing information and access to reproductive health services, combined with the promotion of girls education, can reduce this population momentum. High population growth rates significantly delay attainment of the goal by reducing per capita income growth.

Reducing the rate of population growth now and in the future requires a focus on the large group of young people entering their reproductive years. In 1987, 45% of young girls between the ages of 15 and 19 had already given birth to at least one child. The annual birth rate for teenage women in Mali was 209 per 1000, highest among 11 African countries sampled. This translates into one in five adolescent women bearing a child in any given year, which in 1987 meant approximately 100,000 adolescent girls gave birth.²⁵ Of these births, 50% result in congenital anomalies, neo-natal problems such as low birth weight, or serious physical consequences to the mother, impairing future fertility.²⁶ A secondary result of teenage births is that generation time is shortened, thereby contributing to continued rapid population growth.²⁷

Data analysis in Sub-Saharan Africa demonstrates that youth are also among the highest risk group for contracting AIDS. In East Africa, people attempt to avoid AIDS by commencing sexual relations with younger and younger children. In addition, children born to HIV infected mothers are at-risk of developing AIDS. If they don't develop AIDS, they frequently become orphaned when their parents die of AIDS and they abandon education to become wage earners to support remaining family members. AIDS presents not only medical risks, but also enormous social, economic and financial risks for individuals and their families.

Integration of the young generation of today into society so they have a stake in its continued stability and progress requires substantial, sustained investments. Investment in youth directly impacts economic growth through creation of a trained workforce that can compete in local and regional economies. It will become increasingly hard to compete for production and marketing of even the most basic of commodities and services with one of the lowest rates of primary education in the world. Youth also indirectly impact economic growth

through stability. Youth's importance for stability within Mali is fundamental to increase the domestic and direct foreign investment required to stimulate growth levels needed for goal attainment.

High unemployment represents both an economic loss, because a sizeable portion of the active population is not contributing to wealth generation, and a social problem, because of the drain on social resources and influence on political stability. In Mali, the formal private and public sectors no longer absorb the annual flow of 90,000 new entrants to the labor market. Young people often can not find jobs because of inadequate skills, lack of opportunity or budgetary constraints that limit civil service positions as teachers, nurses, etc. Only 4% (3,500) of new entrants are graduates of vocational or other higher education schools. These schools train youth in many areas for which the market is already saturated (accounting, secretarial skills, etc.). At the same time, skills such as mechanics, electricians and other trades must be imported.

Finally, youth are critically implicated in the use and management of natural resources. Youth educational programs aimed at changing behaviors and attitudes toward sanitation and environmental protection are more likely to succeed and create youth ownership of the development process. Targeting youth as advocates of sound environmental practices will indirectly affect their parents' behaviors as messages are taken home. Furthermore, synergies will occur as improved environmental behaviors directly affect health status and improve human productivity. The youth of Mali have the potential to be harnessed for their energy and employed constructively in the building of a democratic, equitable, and sustainably productive society.

3. *Strategic Approach and Results Framework*

The integrating approach proposed by the Youth Strategic Objective Team has inherent flexibility. As activities proceed and different developmental needs are discovered among young people, different degrees of integration will be implemented. Among school children, the synergy will occur primarily between education, health and environment sector activities; however, once a child leaves school, economic opportunities and education capabilities are the intersection for obtaining results.

There will be a transition period from distinct, vertical program activities to those that target youth. Existing projects will be modified to include more youth-oriented activities. Activities that do not support the results expected from this strategic objective will be brought to an orderly close. The focus of the four results packages is the acquisition of skills and behaviors. Thus, there is heavy emphasis on training and education activities in this strategic objective to build young people's capacity to become productive members of society.

a. Quality Reproductive Health Services Benefit Youth**Table II.C-1**

Quality Reproductive Health Services Benefit Youth		
	Indicators	Targets (1995 to 2002)
1	% of last pregnancies unwanted among women in union and not in union (15-19, 20-24, and 25-29)	25% and 50%, respectively
2	unmet need for contraception among women in union and not in union (15-19, 20-24, and 25-29)	40% and 70%, respectively
3	AIDS prevalence in the general population, among high-risk populations (prostitutes) and pregnant women	8% and 65%, respectively

Sub-Results and Illustrative Activities:

The three key intermediate results, or sub-results, and illustrative activities identified for the reproductive health services results package are:

(1) strengthened enabling environment

- updating and dissemination of the RAPID (Resources for the Awareness of Population Impacts on Development) model among ministers and health service providers

(2) integrated reproductive health services are accessible to youth

- youth focused social marketing of condoms (for youth and by youth)
- establishment of youth clinics within governmental health centers, health posts and maternities

(3) increased availability of health information and operations research

- provide technical and financial support for decentralized implementation of the national health information system
- provide technical and financial support for a Demographic and Health Survey (DHS) in 1995/96 and in the year 2000 (implementation and secondary data analysis)

Youth remain the most disadvantaged demographic group with respect to access to and ability to pay for reproductive health services. Access is broadly defined to include physical proximity, medical and social barriers, knowledge and empowerment to act on reproductive preferences. While emphasis is placed on improving girls' and women's status, this results package will also insure young men's involvement and commitment to quality reproductive health services.

Targets are defined with respect to impact in meeting the reproductive health needs of those sexually active youth within the youth age range, as well as those currently in the age range who age out over the course of the seven year plan (25 to 31 year olds). Baseline indicators will be determined upon availability of the 1995 Mali Demographic and Health Survey (DHS) and the impending implementation of an AIDS surveillance system. The reported targets are estimated for the seven year period given the present information constraints.

b. Young Parents Capable of Insuring Child Survival**Table II.C-2**

<i>Indicators</i>		<i>Young Parents Capable of Insuring Child Survival Targets (1995 to 2002)</i>
1	infant mortality rate (age 0 to 1)	20% reduction from the level to be determined by the 1995 DHS
2	child mortality rate (age 0 to 5)	10% reduction from the level to be determined by the 1995 DHS
3	maternal mortality ratio (per 100,000 births)	To be determined by the 1995 DHS. Expected level between 500 and 1000 maternal deaths per 100,000 births. Target over 7 years is a 20% reduction.

Sub-Results and Illustrative Activities:

The two key intermediate results, or sub-results, and illustrative activities identified for the Child Survival Results Package are:

- (1) **strengthened pre-natal, delivery and post-natal care**
 - training of traditional birth attendants (and potentially youth as a sub-group) in safe birthing techniques, post-natal and first aid care
- (2) **improved management of major childhood health risks**
 - development and implementation of child-to-child health education programs
 - providing technical and financial support to youth in the procurement, management and administration of essential medical supplies (village pharmacies)

Child survival interventions will focus on improving the capacity of young parents, the majority of parents of children under five years-old, to insure child survival. Primary interventions will be to improve the quality and accessibility of pre-natal, delivery and post-natal care. Additional interventions seek to improve management of the major childhood health risks through prevention and treatment of diarrhea, dehydration, malaria and acute respiratory tract infections. Parents and health care providers will be provided training and information on recognizing and locally treating high-risk health symptoms. Improved health curricula and child-to-child programs will take relevant health messages into the home. Unemployed youth will receive training to become local health animators, running village pharmacies or implementing immunization information campaigns.

c. Increased Gender Equity in and Expansion of Basic and Vocational Education**Table II.C-3**

<i>Indicators</i>		<i>Targets (1995 to 2002)</i>
1	literacy and numeracy rate among youth (total, male, female)	30%
2	primary school gross enrollment rate (total, male, female)	55%
3	primary school completion rate (total, male, female)	57%

<i>Increased Gender Equity in and Expansion of Basic and Vocational Education</i>		<i>Targets (1995 to 2002)</i>
<i>Indicators</i>		
4	male:female ratios for gross enrollment and completion	40%
5	number of graduates entering the labor market	To be determined

Sub-Results and Illustrative Activities:

The four key intermediate results, or sub-results, and illustrative activities identified for the Basic Education Results Package are:

- (1) increased access to basic education**
 - renovate, build and equip schools
- (2) improved quality and efficiency of the basic education system**
 - revise and train teachers in new curricula (especially NRM/Environment, health and family life education)
- (3) increased enrollment and retention of girls in primary school**
 - policy reform and sensibilization campaigns
- (4) vocational and technical institutions provide market-relevant training**
 - perform market research and revise curricula

Despite enormous improvement in education indicators since 1989,²⁸ intensive efforts are needed to compensate for the population momentum phenomena which has increased the base number of students needing education. Recent gross enrollment rates have shown improvement, from 22.2% in 1989 to 32.4% in 1994. They are still well below the sub-saharan Africa average of 50%, the minimum level thought by most development practitioners needed for sustainable economic growth.²⁹

Maintaining and improving gender equity access to basic education requires USAID to focus on girls enrollment and retention. Research demonstrates a distinct correlation between the level of girls' schooling and decreased fertility rates, as well as decreased morbidity and mortality rates among mothers and children. Women with decreased fertility rates and higher education also have greater opportunities to work for economic gain and contribute to overall productivity. Development of integrated curricula in health behaviors, natural resource management (NRM), environmental and civic education will be introduced.

The informal sector of the economy continues to play its role as a labor market sponge but requires a trained workforce in areas where there is unmet labor market demand (e.g., construction trades, electricians, electronics, metal work, maintenance and equipment, etc.). Between 1988-1990, 75% of all new modern sector jobs were in these industrial and technical areas. Skilled labor in such fields is presently imported from Ivory Coast and Senegal. Young people need training sufficient to allow them to compete in the market place or to create economic opportunities for themselves. The proposed approach will focus on market-responsive training and basic literacy and numeracy skills.

d. Youth Increase Their Incomes and Improve Their Environment**Table II.C-4**

<i>Youth Increase Their Incomes and Improve Their Environment</i>		<i>Targets (1995 to 2002) *</i>
	<i>Indicators</i>	
1	number of youth groups directly involved in community development	To be determined
2	improved health and environmental knowledge, attitudes and practices (KAP) among youth	To be determined
3	number of youth groups and individuals with access to credit and financial services	To be determined
4	decreased out-migration of youth in rural areas	To be determined

* This is a new area for USAID and Mali. Targets will be developed based on specific baseline studies.

Sub-Results and Illustrative Activities:

The three key intermediate results, or sub-results, and illustrative activities identified for the Income and Environment Results Package are:

- (1) **strengthened institutional capacity of youth groups**
 - training in literacy, numeracy, management and technical skills
- (2) **youth groups develop and implement social sector Information, Education and Communication (IEC) activities**
 - social marketing and natural resource management activities
- (3) **youth support local community development**
 - microenterprise program for youth

Programs that aim to change social behaviors and attitudes towards health, sanitation and environmental protection are more likely to succeed and create ownership of the development process when targeted at individuals, youth groups and other local associations. Changing sanitation and environmental behaviors can lead to both improved health (e.g., water quality, conservation, and sanitation) and increased productivity (resource base sustained for longer period of time). This results package seeks to use youth groups as advocates and agents of changed behaviors in health, sanitation and environment. These groups and associations will not only change the behavior of their members but also have an impact on their parents' behaviors and attitudes, particularly with respect to environmental concerns.

4. Customers and Partners**a. Customer Identification**

The customers of this strategic objective include all Malians under 24 years of age. Subsets of youth will differentially be targeted under the various results packages developed under this strategic objective. Clearly, a five-year old will not be the beneficiary of improved pre-natal care. Analogously, an unemployed 20-year old high school graduate will not receive basic education, but may require relevant training to work within a youth group in microenterprise development. Over a seven year period, the target population will age,

meaning some 25 to 31 year-olds will explicitly benefit from the program. Although not explicitly targeted by this strategic objective, those age groups outside of the youth boundaries will benefit directly or indirectly from specific activities. AIDS prevention, family planning and child survival programs targeted to youth and disseminated by public media will not be limited to young consumers. Contraceptives will be made available and community health centers will be open for all.

b. Partner Commitment and Accountability

The Malian Government recognizes the importance of a youth focus. The integrating approach of the Youth Strategic Objective complements work already undertaken by the Malian Government. The Prime Minister has instructed the ministers of education, health and rural development to collaborate in project development. Their rationale is similar to this strategic objective; the whole is greater than the sum of the parts. The Ministry of Education shares USAID's intent to increase both basic education levels among girls and introduce curricula in natural resource management. The Ministry recently began a pilot program of environmental education for young people in concert with the Ministry of Rural Development. The government also shares USAID's emphasis on reducing the population growth rate as evidenced by their goal of zero fertility among women under the age of 18 by 2021. The Ministry of Health, in conjunction with UNFPA, has created a project targeted at these young women to support their participation in family planning programs.

Many private and voluntary partners are already concentrating activities on youth and strongly endorse this approach. For example, Plan International, currently implementing the USAID AIDS Project, targets youth in their own programs. Peace Corps has set a regional goal to work with youth. These and other potential partners present USAID an opportunity to collaborate around a commonly shared objective. The focus on a demographic group rather than technical areas is compatible with other non-governmental organizations. Non-governmental organizations experienced in integrated interventions across multiple sectors have lowered overall implementation costs through reduced overhead charges and dual purpose training seminars (i.e., health and environment curricula training).

This strategic objective will be funded in an era of diminishing resources, and other donor and community funds must be leveraged with USAID's resources. USAID assumes that existing partner funding levels will be maintained and that communities will also contribute in-cash or in-kind. Save the Children's experience with community schools in Mali demonstrates that poor rural communities will contribute significantly when they have ownership of the activity undertaken, such as community health centers and schools.

Finally, the need for increased emphasis on the needs of youth has been voiced by donors at several multinational conferences. For example, the rationale for a youth focus, stated in the final report from the International Conference on Population, included (1) to promote to the fullest extent the health, well-being and potential of all children, adolescents, and youth as representing the world's future human resources, (2) to meet the special needs of

adolescents and youth, especially young women, with due regard for their own creative capabilities, for social, family and community support, employment opportunities, participation in the political process and access to education, health counselling and high-quality reproductive health services, (3) to encourage children, adolescents and youth, particularly young women, to continue their education in order to equip them for a better life.

c. Relationship to Agency Goals and Country Strategic Plan

The Youth Strategic Objective explicitly addresses agency goals on population, health, education, AIDS, and child survival with a focus on young people. Sustainable economic development is also dependent upon creating a productive workforce from today's young people which is fully consistent with the education components of this strategic objective. Environmental and governance impacts are also expected from the educational components of this strategic objective which seek to produce responsible citizens.

The Youth Strategic Objective is inextricably linked to the other two strategic objectives. With continued investment in economic opportunity and good governance the youth of Mali will be able to take full advantage of the new skills and behaviors they acquire. This Strategic Objective can be construed as creating the capacity within successive generations of society that will then pass through the political and economic context stimulated by the other objectives in the overall strategic plan. Some specific examples of complementarity between Youth and the other objectives include:

- (1) Linkage between Youth and Sustainable Economic Growth will occur through formal and vocational education to create a economically productive workforce. The Sustainable Economic Growth team will provide insights into market-relevant training, skills required, youth microenterprise development and assistance in integrating youth groups and associations into savings, credit and other economic activities.
- (2) Youth is directly linked to Governance through activities in civic education, community organization development and non-governmental organization activities. They will also benefit from the Governance Team's experience when working with youth groups and associations.
- (3) Information and Communication will work directly with the Youth Team in establishing Internet access within selected schools for testing demand for on-line services in Mali. Information and Communication will also assist in the dissemination of youth-relevant public service messages (health, AIDS, child survival, environment, etc.) via rural radio.

5. Assumptions and Sustainability

Key assumptions underpinning the Youth Strategic Objective are that:

- (1) Mali remains politically stable and committed to democracy;

- (2) environmental shocks (locusts, drought, disease, etc.) outside Mali's ability to respond do not occur;
- (3) young people can function as both beneficiaries and change agents,
- (4) long-term impacts of a generational strategy can be monitored for short-term progress,
- (5) the economy continues a relatively smooth adjustment to the relative price changes resulting from the 1994 devaluation, and
- (6) partner funding levels are maintained and communities contribute in-cash or in-kind.

The World Commission on Environment and Development defines "sustainable development" as the result of "meeting the needs of the present without compromising the ability of future generations to meet their own." Sustainability is the result of the kind of long-term, generational perspective that the Youth Strategic Objective promotes. Reduced fertility rates, higher child survival rates, increased human productivity and responsible societal participation are developmental objectives most properly assessed over generations. Investment in youth is the best way to assure sustainability of the changes in behavior required to achieve the stated vision and goal of this Strategic Plan.

Increased Value-Added of Specific Economic Subsectors to National Income

- value-added from livestock, cereals, financial services, and non-traditional product sectors

Results Packages

Increased value-added in the livestock subsector

- livestock value-added
- number of livestock processing activities and businesses
- livestock export share of total exports
- livestock products share of total livestock exports
- number of animals slaughtered
- number of skins and hides processed in local tanneries

Increased value-added in the cereals subsector

- increased cereal production and value-added
- increased processed cereal products (value and volume)
- increased domestic consumption of cereal products (value and volume)
- decreased cereal imports (value and volume)

Increased savings mobilization and credit

- savings mobilized (FCFA francs)
- credit mobilized (FCFA francs)
- access to credit by women
- geographic distribution of credit

Widen and diversify economic output

- # of new export markets
- value of exports to new markets
- # of new products sold on the local market
- value of new products sold on the local market

Improved enabling environment for livestock production

Sound enabling environment

Existence of a sound enabling environment for NBFIs

Improved enabling environment

Increased transfer of appropriate input and production technologies

Skilled entrepreneurs and civil servants

Increased financial and operational sustainability of NBFIs

Increased access to timely market information

Increased technical and business management skills for producers, entrepreneurs and investors

Greater access to relevant timely market information

Increased access to savings and credit facilities throughout the country

Improved market infrastructure and services

Increased access to and availability of relevant livestock market information

Greater production efficiency

Increased commercial bank lending to NBFIs

Increased exporter access to credit

Greater diversification in processing

Increased regional and international trade

NBFI = Non-Bank Financial Institutions (e.g., mutual credit associations, savings & loan associations, etc.)

34A - Results

D. Sustainable Economic Growth: Increased value-added of specific economic subsectors to national income.

Mali is beginning to experience the positive impacts of significant economic reforms undertaken over the last several years. Renewed confidence and investment leading to economic growth has only just begun and efforts to improve transparency through democratic governance are nascent. Enhanced political stability and pluralism offered by democratic governance continues to reinforce an improving investment climate. Both the economic and political realms in Mali require time and continued access to concessional foreign assistance to consolidate, strengthen and sustain the excellent progress made to-date.³⁰

Sustained economic growth, however, is inextricably linked to appropriate natural resource management and the environment (NRM/E). The precarious agroclimatic environment and importance of agriculture in the economy³¹ requires Mali to protect its natural resources to survive and rationally exploit them to prosper. Sustainable economic growth and appropriate natural resource management are neither incompatible nor inconsistent. They are mutually reinforcing. Promotion of appropriate natural resource management activities will be a function of their importance in sustaining a particular result.

1. Sustainable Economic Growth Strategic Objective

This strategic objective seeks to effect the greatest amount of change in national income growth by alleviating constraints to sustainable growth on a subsector basis. Through a targeted approach of alleviating key subsector constraints to invoke an appropriate supply response and the provision of new ideas (*bailleur d'idées*), USAID Mali seeks to have a net impact on GDP greater than would result from a direct transfer of our funds.³² The working hypothesis of this approach is that alleviation of subsector specific constraints, which hinder the full supply response engendered by relative price changes from the recent devaluation, will yield a greater total return than direct transfer.

a. Statement and Timeframe

The Sustainable Economic Growth Strategic Objective is

Increased value-added of specific economic subsectors to national income.

A subsector approach requires examination of the entire chain of activities from production through transformation, including marketing, and final consumption of a good or service. The principal idea is to identify and alleviate bottlenecks along this chain wherever they are encountered. This strategic objective is specific (only certain subsectors are targeted) and measurable (value-added by subsector). Identification of specific interventions are based on sector-specific assessments to identify key constraints and provide baseline data against which progress will be measured.

While the specific timeframe of this strategic objective is seven years, the overall strategic plan represents only the first step along a path to attaining the expressed vision and goal of reduced dependence on external sources of development finance. The approach is flexible enough to change specific subsectors of intervention to adapt to changing world market conditions. Expectations are that the subsector approach will be retained and refined over the present strategic planning period and beyond.

The Sustainable Economic Growth Strategic Objective will have been accomplished when partners and/or customers increase:

- (1) value-added from financial services from 20 to 75 million FCFA,
- (2) value-added by the livestock sector from 104 to 126 billion FCFA,
- (3) value-added by the cereals sector from 28 to 40 billion FCFA,
- (4) value-added by non-traditional products from 315 to 600 million FCFA

2. Problem Analysis

The problem to be addressed by this strategic objective is the relatively low level of economic growth in Mali that retards increased per capita incomes. In 1994 national income grew at a real rate of 2.4% while population growth continued at 3.2% per annum. Raising real national incomes to achieve the stated goal of reduced dependence on concessional foreign assistance requires economic growth rates that exceed population growth. Malian economic output is valued at roughly \$2 billion per year.³³ Real economic growth of 5% or greater will be required to allow Mali to become a middle-income country within two generations, assuming reductions in population growth.

As the Malian economy continues to adjust to relative price changes in the post-devaluation period,³⁴ there remain constraints to full exploitation of the opportunities presented by these changes. Alleviating these constraints to a full supply response by devaluation-favored subsectors of the Malian economy presents both problems and opportunities. Subsectors with greatest growth potential in this new environment include, for example, cotton, livestock and cereals. A major obstacle to increased growth is the low national savings rate. Gross domestic savings represented only 30% of total savings in 1993,³⁵ which highlights the present importance of external sources of investment financing in Mali. This level of dependence upon external capital is unsustainable, particularly in an era of diminishing concessional foreign assistance. Domestic savings must be mobilized to increase domestic investment and growth and to compensate for decreasing external sources of investment in Mali.

The impact of the devaluation also steers focus towards those subsectors that offer new opportunities and greatest export potential. The January 1994 devaluation and the conclusion of the GATT agreement³⁶ in late 1994, with its emphasis on increasingly liberalized trade regimes worldwide, argue for promotion of an outward orientation in Mali. Most analyses of the impacts of the GATT on African economies have focused on those countries with large food import bills and the resultant increasing costs of food under

agricultural subsidy reform. However, Mali is poised to become a net exporter of food (livestock, corn, sorghum, millet, rice) within the subregion and will benefit from the opportunity of increasingly liberalized trade in agricultural commodities.

The major problems confronted by effective natural resource management were identified as the high population growth rate, uncertain precipitation, and government land tenure and natural resource management policies. These problems highlight the cross-cutting nature of Malian natural resource management questions. The Youth Strategic Objective addresses the high population growth rate and heightened environmental awareness with an educational and behavioral change program targeted to young people. The uncertainty linked to rainfall is addressed through the Information and Communication Special Objective and support for information systems to forewarn and target mitigation efforts. Sustainable Economic Growth and Governance will address land tenure and natural resource management questions through policy dialogue and strengthening natural resource management organizations.

3. Strategic Approach and Results Framework

The Sustainable Economic Growth Strategy will judiciously apply USAID resources to alleviate bottlenecks that hinder an increased supply response by selected subsectors in the post-devaluation period. With prices being set "right" and the policy environment "enabled," the challenge remains to promote investment and relieve structural constraints not addressed by macroeconomic reform. USAID's approach is to leverage financial and human capital to relieve subsector constraints that inhibit value-added contribution to sustainable economic growth in Mali wherever they may occur within the subsector.

Formulation of this strategic objective drew upon lessons learned and experience from two current projects in the existing agricultural portfolio, Animal Productivity and Export (APEX) and Upper Niger River Development (DHV). Specific lessons from APEX include; the value of subsector specific analysis of constraints and opportunities to tailor subsequent interventions, the need for beneficiaries to identify with and support proposed change. DHV provided valuable experience in delivering integrated assistance along a chain of related activities within a specific subsector. This approach will identify, target and alleviate constraints that could include human resource limitations, production technology, processing, creation of market channels, infrastructure and policy constraints limiting competition in the transportation sector. The subsector approach implies an increased private sector focus because they are the principal economic actors within each subsector.

After discussions with partners and customers, a review of USAID's experience and comparative advantage, and examination of other donor activities, the Sustainable Economic Growth Team identified four key subsectors of the Malian economy for USAID investment; (1) livestock, (2) cereals, (3) financial services, and (4) new opportunities.

a. Increased Value-Added in the Livestock Sector**Table II.D-1**

<i>Increased Value-Added in the Livestock Subsector</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1 livestock value-added	103 to 126 billion FCFA
2 number of livestock processing activities and businesses	8 to 79
3 livestock export share of total exports	23% to 25%
4 livestock products share of total livestock exports	42 to 54 billion FCFA
5 number of animals slaughtered	400,000 to 500,000 small ruminants and 200,000 to 250,000 cattle
6 number of skins and hides processed in local tanneries	150,000 to 210,000 skins and 300,000 to 420,000 hides

Sub-Results and Illustrative Activities:

The four key intermediate results, or sub-results, and illustrative activities identified for the Livestock Results Package are:

- (1) **improved enabling environment for livestock production**
 - technical and financial assistance on commercial transport and regional trade policy
- (2) **increased transfer of appropriate input and production technologies**
 - technological transfer of livestock feed and production techniques
- (3) **increased technical and business management skills for producers, entrepreneurs and investors**
 - technical training in business management, accounting, production & processing
- (4) **increased access to and availability of relevant livestock market information**
 - technical and financial assistance to the livestock information system

Mali has a long recognized comparative advantage in all aspects of the livestock subsector (meat, hides, skins, milk, poultry, etc.). Livestock is also extremely important to both the domestic and trade economies, accounting for roughly 23% of the gross domestic product and 28% of export earnings. While total export earnings for livestock are lower than those for cotton,³⁷ livestock export value has been more stable over time and is projected by the Ministry of Finance to have similar growth potential (7 to 8% per year). This results package intends to assure continued stability and increased sustainable income from this fruitful subsector through alleviation of policy, technology, management and informational constraints.

b. Increased Value-Added in the Cereals Subsector**Table II.D-2**

<i>Increased Value-Added in the Cereals Subsector</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>

<i>Increased Value-Added in the Cereals Subsector</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1 increased cereal production and value-added	375,000 to 504,000 metric tons and 28 to 38 billion FCFA
2 increased processed cereal products (value and volume)	5,000 to 35,000 metric tons and 750 to 5,250 million FCFA
3 increased domestic consumption of cereal products (value and volume)	5,000 to 35,000 metric tons
4 decreased cereal imports (value and volume)	90,000 metric tons in 1994 to 20,000 metric tons

Sub-Results and Illustrative Activities:

The six key intermediate results, or sub-results, and illustrative activities identified for the Cereals Results Package are:

- (1) **sound enabling environment**
 - technical support to parastatal, trade policy and land tenure reform
- (2) **skilled entrepreneurs and civil servants**
 - training, site visits and exchanges
- (3) **greater access to timely market information**
 - financial and technical support to existing information systems
- (4) **greater production efficiency**
 - financial and technical support to applied research and extension
- (5) **greater diversification in processing**
 - food technology and technique transfer and testing
- (6) **increased regional and international trade**
 - export promotion and diversification

Mali's cereal market has undergone significant restructuring over the last decade from a state marketing monopoly with fixed prices to the present fully liberalized marketing system (with no State role) and prices determined by supply and demand. Cereal market restructuring has been one of the most successful joint donor and government undertakings in Mali. There remain minor reform issues to settle and second generation policy reforms to implement (e.g., trade policy). The Cereals Results Package Team proposes to relieve constraints on remaining policy issues, training, information, production, and consumption (diversification and regional trade) to seize the opportunities provided by an unfettered subsector and the recent devaluation.

c. Increased Savings Mobilization and Credit

Table II.D-3

<i>Increased Savings Mobilization and Credit</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1 savings mobilized (FCFA francs)	775 million to 1.3 billion FCFA
2 credit mobilized (FCFA francs)	% of savings mobilized for credit increases from 60 to

<i>Increased Savings Mobilization and Credit</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
	75%
3 access to credit by women	% of loan value to women increases from 30 to 50%
4 geographic distribution of credit	# of Mali regions with active non-bank financial institutions increases from 4 to 8

Sub-Results and Illustrative Activities:

The four key intermediate results, or sub-results, and illustrative activities identified for the Financial Services Results Package are:

- (1) **existence of a sound enabling environment for non-bank financial institutions**
 - policy dialogue on regional and national regulatory constraints
- (2) **increased financial and operational sustainability of non-bank financial institutions**
 - technical training in business management, accounting, and loan processing
- (3) **increased access to savings and credit facilities throughout the country**
 - expansion of existing and creation of new non-bank financial intermediaries
- (4) **increased commercial bank lending to non-bank financial institutions**
 - training seminars with commercial banks and non-bank financial intermediaries

The environment for increased savings and investment in Mali has improved with restored political stability and renewed right of association resulting in a profusion of non-formal financial institutions³⁸ providing financial intermediation services. However, Mali's financial services subsector remains underdeveloped and unresponsive to the needs of individuals, micro and medium-sized enterprises. This results package explicitly addresses the financial subsector by combining the disparate elements of non-formal savings and credit programs within the former Mission portfolio into a single, coherent package for results. In addition to improving the management of, and access to, financial intermediation services, this results package will address policy reform to assure an enabling environment that promotes domestic savings and investment (both public and private).

d. Widen and Diversify Economic Output

Table II.D-4

<i>Widen and Diversify Economic Output</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1 number of new export markets	1 to 5
2 value of exports to new markets	\$315 to \$600 million
3 number of new products sold on the local market	1 to 4
4 value of new products sold on the local market	\$10,000 to \$100,000

Sub-Results and Illustrative Activities:

The four key intermediate results, or sub-results, and illustrative activities identified for the New Opportunities Results Package are:

- (1) **improved enabling environment**

- policy dialogue on exporter constraints
- (2) increased access to timely market information**
 - establish an export market information system
- (3) improved market infrastructure and services**
 - improve export infrastructure
- (4) increased exporter access to credit**
 - commercial bank training in export marketing and trade finance

In addition to the traditional "big motors" of growth in Mali (cotton, livestock and cereals), Malian entrepreneurs are constantly searching for new economic growth opportunities (ex., green beans). Domestic demand growth, by itself, will be insufficient to sustain economic growth levels required to attain the goal of reduced dependence on concessional foreign assistance. Regional and international markets can provide higher growth levels but have their own exacting standards and need for prompt response to opportunity. The New Opportunities Results Package Team will assist Malian entrepreneurs to seize these new opportunities through alleviation of constraints in policy, information, infrastructure and services and trade finance. Given Mali's comparative advantage, human and natural resource base initial opportunities will likely arise from, but not be limited to, agribusiness and marketing.

4. Customers and Partners

a. Customer Identification

This strategic objective evolved from numerous and frequent in-house exchanges of experiences and opinions from a diverse representation of Mission employees and contractors. External clients and partners were instrumental in focusing the need for more direct, collaborative and self-motivated programs of assistance. Comments and suggestions gleaned from extended consultations with representatives of the private sector, government, intermediary organizations (i.e., PVOs and NGOs) and other donor representatives reinforced the move away from an agriculture-specific program to a broader sustainable economic growth perspective. This was accompanied by expanding the possible area of interventions to include urban and rural economic opportunities. External input was a key influence in focusing Mission attention on the increasing importance of the financial subsector and microenterprise in Mali. This approach was corroborated through several exchanges with individuals representing the intended target beneficiaries; the economically productive segment of society involved in livestock, cereals, microenterprise and financial sector development, and new market opportunities.

b. Partner Commitment and Accountability

The Malian government is committed to a subsector approach as evidenced in its pronouncements at the Geneva Roundtable on Malian Development in September 1994. The *Institut d'Economie Rurale* (IER) of the Ministry of Rural Development and Environment, the *Institut du Sahel* of CILSS, and several Malian private-sector consulting firms are committed to a subsector approach. Exposure and training in subsector study work in these partner

institutions have been supported by both USAID country and regional financing and technical assistance. USAID Mali intends to mobilize these earlier institutional investments and apply them to specific national problems and opportunities.

Production and marketing investments in the important cotton sector are the domain of the French, Dutch and World Bank. USAID's minor investments in cotton production and marketing complement these other donors by focusing on areas outside the traditional cotton zone. Production investments in the rapidly growing large-scale irrigated rice subsector are also the domain of the European and multilateral donors with France, Holland, the European Union, Germany and the World Bank making significant production investments. USAID focuses its rice sector interventions on policy, marketing and smallholder productive investments.

USAID Mali is committed to collaborative efforts with several USAID Washington initiatives related to sustainable economic growth. Specific examples include the Global Bureau's Center for Economic Growth (G/EG) projects for improving agricultural marketing (AMIS II) and targeted research opportunities (EAGER). In both these instances the Mission has focused efforts on reinforcing the evolving subsector approach and alleviation of specific constraints; new opportunities with AMIS II and cereals, particularly rice, with EAGER.

c. Relationship to Agency Goals and Country Strategic Plan

This strategic objective is directly related to two of the announced agency goals; notably, economic development and environment. This strategic objective represents a logical evolution for USAID Mali from a prior focus on institution building to a more private sector and outward orientation. Previously, economic growth was subsumed within an agricultural portfolio, but in this strategy economic growth subsumes agriculture. The Sustainable Economic Growth Strategic Objective seeks increased income growth from whichever activity offers greatest opportunity, rather than a purely production focus for increasing income. There is no *a priori* geographic bias to this strategic objective, but rather a focus on those portions of subsectors which offer greatest sustainable return for investment in constraint alleviation, whether urban or rural. The Sustainable Economic Growth Strategic Objective positions USAID Mali at the forefront of donor community efforts to promote the private sector through a flexible, decentralized, integrated, subsector-specific approach to development.

Some examples of complementarity between the Sustainable Economic Growth Objective and the other objectives of this strategic plan include:

- (1) Collaboration with Youth to identify specific training needs from numeracy and literacy programs to market-driven training and input on Mali relevant natural resource curricula for schools.

- (2) Collaboration with Governance to identify development priorities and constraints with PVO and NGO partners as catalysts of community organization mobilization; improve the policy analysis capability of civic, professional and trade organizations; and increase mobilization of and access to financial resources by our natural constituency, community organizations and ordinary people;
- (3) Collaboration with Information and Communication on technical and financial support to market information systems (livestock, cereals, exports, environment, etc.) and communication of investment opportunities and Malian export possibilities via the World Wide Web.

5. Assumptions and Sustainability

Assuring permanent change through this strategic objective is predicated on several assumptions that include:

- (1) Availability of sufficient financial and human resources at USAID.
- (2) Continued GRM commitment to economic and political reform and stability.
- (3) Favorable world market conditions.
- (4) Continuing favorable weather conditions.
- (5) Low inflation and positive real interest rates.
- (6) International development assistance continues for the foreseeable future.

While a participatory, sector-led approach to economic growth is flexible in concept, the challenge is in implementation which can be a slow, labor intensive effort that often takes considerably longer than planned to achieve results. However, the payoff is that this approach builds sustainability into the change process. Interventions through non-governmental organizations also improve prospects for sustainability due to modest overheads and local level contact. Sustainability will also be enhanced through the private sector focus of this Strategic Objective and the participatory approach to capacity building.

Community Organizations Play a Leading Role in Local Development

- community organizations actively involved in local policy making process
- local government officials accountable to local citizens
- local funds well managed by local governments
- changing patterns of seasonal out-migration over 14 years
- community organizations have access to credit & financial services

Community Organizations

NGO's

Professional, Civic & Trade Associations

Enabling Environment

R.P.

Strengthened institutional capacity of community organizations

- % and # of community organizations general assemblies
- % COs holding internal audits
- % COs that are women's organizations
- % COs keeping their own accounts
- % COs repaying loans on time

Strengthened insititutional capacity of non-governmental organizations

- % And # of NGOs holding general assemblies
- % NGOs directing at least 50% of their resources to women
- % NGOs carrying out, sharing results & acting on recommendations of financial and program audits
- % NGOs with strategic plans
- % NGOs that prepare & follow a budget plan

Strengthened insititutional capacity of PCTA's

- % & # of PCTAs holding general assemblies
- % of PCTAs providing member newsletters
- % of PCTAs with stable or increasing membership
- % of PCTAs that are active & efficient women's associations
- % of PCTAs active in Bamako & at least one rural commune
- % of PCTAs capable of intervening with government or financial institutions
- % of PCTAs capable of developing policy or analyzing government actions

Enabling environment supportive of community organizations

- % of COs that believe Government supports their work
- total # of new COs registered per year (by gender)
- % of electorate voting
- % of taxes recovered
- INSpector General performs audits & makes reports public
- National Mediator service created
- # of people reached with civic education campaign

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Credit provided to village & neighborhood associations

- # of village associations receiving seed money from USAID
- # of villages accessing other sources of credit

Financial grants to NGO's and NGO Associations

- # of NGOs receiving grants
- NGOs share of total operating expenses
- reports provided on a timely basis

Technical support for policy analysis, dissemination and communication

- quality of the policy analysis & visibility
- quality of information flow from bottom to top
- quality of support from top to bottom

Technical assistance and policy dialogue to support legal and regulatory reform

Reinforce & protect the right of association

- draft report developed & reviewed
- promulgation of requisite changes

Financial support for information dissemination

Develop & distribute civic education material in local languages

- # of education materials provided
- distribution of local language newspapers
- # of civic education posters
- # of local distribution centers

Technical support to develop sustainable financial systems

- # of associations with a savings program
- # of associations accessing bank credit

Technical support for management, training & innovation

- # of NGOs with a coherent strategic plan
- # of NGOs with budget plans and financial management systems
- # of innovations

Technical support & training in financial & organizational management

- # of PCTA's receiving support & training
- # of PCTA's creating finance & credit systems
- # of member units using & managing systems

Reform the national commission for NGO evaluation

- draft report developed & reviewed
- enactment of regulatory reform
- Commission meets at least once/year

Modern media campaign on civic responsibility

- # of radio spots in local language
- # of TV spots
- existence of a sustained campaign
- geographic coverage

Training

- # of people trained
- # of VNA's trained

Technology and financial management training

- # of people following a training schedule
- # of NGOs with an integrated research-action training system

Development of professional standards

- better quality output
- more innovative output
- # of products offered
- increased revenues

Create a self-regulatory body for NGO's

- draft report developed & reviewed
- creation of self-regulatory body
- body meets at least once/year

Traditional media campaign on civic responsibility

- # of theatre groups & activities
- # of communes visited
- # of follow-up visits
- geographic coverage

Decentralization of the Control d'Etat

- citizens have access to reports and audits
- # of audits carried out
- # of people gaining access to reports

4/9/95

E. Governance: Community organizations play a leading role in local development.

In his November 1993 "Statement of Principles on Participatory Development," USAID Administrator Brian Atwood put strong emphasis on listening to the "voices of ordinary people." He criticized traditional USAID operations, which he said benefit elites and officials more than they empower the poor, women and indigenous organizations. From this analysis, he developed the following principle for the Agency, "In defining our strategies at a country level and in pursuit of our global objectives, we will aim to support the initiatives of indigenous communities and organizations." This principle has guided USAID Mali in the development of its Governance Strategic Objective.

1. Governance Strategic Objective

Decentralization is arguably the most important governance-related initiative undertaken since the 1991 popular revolution. Within the context of decentralization, USAID concluded its most positive impact on governance would be through strengthening community organizations. To unleash the potential of community organizations to contribute to Mali's development, USAID will focus its resources on improving the capacity of these organizations and ensuring an enabling environment from governmental and civil society institutions.

a. Statement and Timeframe

The Governance Strategic Objective is:

Community organizations play a leading role in local development.

Community organizations will play a leading role in local development through guiding development priorities and ensuring implementation of related activities. The working hypothesis is that the multitude of nascent community organizations can be both key customers of, and key players in, making good governance happen. Community organizations are formally defined as locally-based private or social sector associative groups that enable people to organize for social or economic purposes, but have no political purpose. Included are a wide range of informal and formal sector groupings. Examples of community organizations include village associations; urban neighborhood associations; women's associations in villages or towns; savings and credit banks (managing seed, cereal or cash); health committees; parent-teacher associations; local social service associations (serving the blind, the mentally handicapped, AIDS victims, among others); and social enterprises (profit-making cooperatives). The development of strong community institutions is expected to provide a major vehicle for Malian youth to improve their social and economic standing.

Mission experience with NGOs demonstrates that they can catalyze the resource mobilization efforts of community organizations, provided they are given sufficient time to develop village-based and community-directed strategies. Long-term support to NGOs and other non-governmental intermediaries will help local communities mobilize their own resources, consistent with USAID's vision of *More Mali, Less Aid*. Grants to selected partners will be

for 7 years. Three cycles of 7 years will likely be required for USAID to reach its goal; *Mali achieves a level of sustainable, politic, economic and social development that eliminates the need for concessional assistance.*

This Governance Strategic Objective will have been accomplished when:

- (1) 15% of community organizations attend all meetings of commune councils;
- (2) 25% of the population believe that local government effectively manages taxpayer funds;
- (3) 25% of community organizations receive loans from financial institutions;
- (4) 50% of the population believe local officials act in community's best interest; and
- (5) 30% of villages have reductions in seasonal out-migration.

2. Problem Analysis

A prerequisite for social and economic progress in Mali is good governance. Good governance requires not only well functioning electoral, legislative, executive and judicial systems but also strong and dynamic civil society institutions, those formal and informal organizations lying above the family but below the State.

In present day Mali, both Government and civil society institutions respond poorly to citizen needs. The Government's response is to decentralize democratic governance and devolve significant decision making and management authority to new, locally elected governments. Under decentralization, Mali's development will be dependent upon the ability of community organizations, those civil society institutions at the village and neighborhood level, to ensure that these new local governments respond well to citizen needs. Most community organizations are now unable to play this role, however, because they are poorly managed, poorly served by Government, and unable to gain access to financial and technical resources needed to operate efficiently.

To assume their proper role in the decentralization process, community organizations must not only increase their institutional capacity but also have the opportunity to play a leading role in local development. The historical weakness of Malian community organizations was attributed to the unsupportive and at times hostile political, social and economic environment of the previous regime. Many organizations were unable to gain legal standing, thus excluding them from carrying out such important functions as borrowing money. Some Government agents saw their relations with community organizations as opportunities to use their discretion for personal gain. Small and micro-enterprises were discouraged from working in the formal sector due to heavy taxes and burdensome labor codes. Financial institutions were maladapted to the needs of profit and non-profit community organizations. While significant progress has been made since a democratic government was installed in 1992, there remain policy constraints to community organizations playing an active role.

Many donors are supporting the activities of Mali's Decentralization Mission, which has a short-term mission of catalyzing governmental decentralization at the national and local levels.

USAID will focus its resources on preparing local populations to elect good leaders of communal governments, strengthening the ability of community organizations to voice citizen concerns and work with the new communes in implementing development activities, and making agents of commune and national governments accountable for their activities and decisions. Final impact of USAID's program to improve the capacity of community organizations and assure an enabling environment will be linked to other donor support to the Government's decentralization efforts.

3. *Strategic Approach and Results Framework*

To improve the capacity of non-profit and profit-making community organizations, USAID will provide assistance through intermediary institutions such as NGOs and professional, civic and trade associations. These intermediaries will also receive institutional strengthening assistance, so they can better support community organizations. Umbrella grants to PVOs will be the main instruments for providing this assistance. In addition, USAID will work closely with the communal governments, the Malian Government and the formal private sector to reform institutions, regulations and systems that impede the development of community organizations.

Under decentralization, local development will be the responsibility of elected communal governments, supported by Central Government agents and guided by community organizations. The Governance Strategic Objective supports four results packages which together will result in *community organizations playing a leading role in local development* through setting priorities and ensuring implementation of related activities. The ability of communal governments to respond to citizen needs is dependent upon the capacity of community organizations to clearly represent the interests of their community (**Community Organizations Results Package**). Well-managed and well-qualified NGOs are a tested means of developing the capacity of community organizations (**NGO Results Package**). Central government responsiveness to local needs requires not only well-functioning communal governments, but also professional, civic and trade organizations capable of representing local interests effectively (**Professional, Civic and Trade Associations Results Package**). Finally, a positive enabling environment, including supportive Central Government policies and adequate financing, is necessary for Malian community organizations to be sustainable and accountable (**Enabling Environment Results Package**).

a. *Strengthened Institutional Capacity of Community Organizations*

Table II.E-1

<i>Strengthened Institutional Capacity of Community Organizations</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1 percentage and number of general assemblies	75% of community organizations hold 4 per year
2 percentage holding internal audits	15% of community organizations
3 percentage that are women's organizations	20% active and efficient
4 percentage keeping own accounts	50%

<i>Strengthened Institutional Capacity of Community Organizations</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
5	percentage repaying loans on time
	80% (90% for women's organizations)

Illustrative Activities:

- provide financial and technical assistance to train members of community organizations in some or all of the following areas: literacy, numeracy, business planning, team work, negotiation, marketing, financial management, basic auditing and other organizational skills.
- print and disseminate procedures manuals and simple accounting forms for organization finance and management.
- develop sustainable local finance mechanisms such as community development foundations, endowments and capital savings funds.

Grassroots community organizations are essential for translating decentralization into development and insuring accountability of and providing guidance to communal and Central Government officials. USAID assistance to community organizations in the form of technical support, training and access to finance will develop their capacity to lead and participate in local policy making. This assistance, provided through NGOs, will also help improve the capacity of community organizations to administer such development activities as microenterprise promotion, natural resources management, and health and education service delivery.

Several types of community organizations can exist within a commune. Village associations, for example, are critical players in programs promoting increased income and improved social services. Health committees organize local and communal level efforts to provide preventive health services. Associations of parents and teachers often build, finance and manage primary schools. By improving the institutional capacity of several organizations within targeted communes, USAID will help them to become more respected development partners of communal governments.

b. Strengthened Institutional Capacity of Non-Governmental Organizations

Table II.E-2

<i>Strengthened Institutional Capacity of Non-Governmental Organizations</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1	percentage and number of general assemblies
	75% of NGOs hold 1 per year
2	percentage directing at least 50% of their resources toward women
	20% of NGOs
3	percentage that carry out, share results and act on recommendations of financial and program audits
	50% of NGOs
4	percentage with a strategic plan
	25% of NGOs
5	percentage that prepare and follow a budget plan
	50% of NGOs

Illustrative Activities:

- provide financial grants to NGOs for operating expenses on a declining basis.
- provide technical and financial assistance to increase NGO capacity in strategic planning, technical skills, financial management, participatory management and teamwork skills in community development.
- initiate practical training in participatory rural appraisal and research-action methods to improve results reporting.

Local NGOs, in cooperation with American or foreign PVOs, have proven highly cost efficient and effective partners for improving the institutional capacity of community organizations in rural and urban areas. A recent assessment of USAID Mali's work with PVOs and NGOs concluded that "the best PVO/NGO activities are helping to create and strengthen basic economic and social structures. Community linkages are being reinforced and financial benefits are being used to generate income and stimulate the economy at the community level."³⁹

USAID has strengthened the institutional capacity of NGOs through PVO/NGO partnerships and the creation of four specialized sectoral Pivot Groups, which provide organizational development assistance to NGOs in health, education, micro-enterprise and natural resource management. By providing increased funding and technical support to groups like these, USAID will increase the number of sustainable, accountable and technically qualified beneficiary-owned organizations. Many of these organizations will eventually attain the capacity to replace the foreign PVOs now operating in Mali. Special attention will be paid to improving the capacity of women's NGOs, given their strong link to the success of women's organizations at the local level.

c. Strengthened Institutional Capacity of Professional, Civic and Trade Associations

Table II.E-3

<i>Strengthened Institutional Capacity of Professional, Civic and Trade Associations</i>		
	<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1	percentage and number of PCTAs holding general assemblies	75% hold at least one per year
2	percentage of PCTAs providing member newsletters	80% on a regular basis
3	percentage of PCTAs with stable or increasing membership	80%
4	percentage of PCTAs that are active & efficient women's associations	20%
5	percentage of PCTAs functioning in Bamako and at least one rural commune	40%
6	percentage of PCTAs capable of intervening with government or financial institutions	65%
7	percentage of PCTAs capable of developing policy or	60%

<i>Strengthened Institutional Capacity of Professional, Civic and Trade Associations</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
analyzing government actions	

Illustrative activities:

- provide technical assistance and training in policy analysis and communication of policy options and recommendations to government and to membership.
- provide financial and organizational management training.
- encourage dissemination of association information to members through development of newsletters and other appropriate means.

The emergence of professional, trade and civic associations (PCTAs) is one of the most exciting post-1991 features of Malian civil society. These are "the missing middle" of organizations which emerge as natural mediators between grassroots community organizations and the national level. They have great potential for interpreting policy to their members, and engaging in policy formulation and lobbying at regional and national levels. The institutional capacity of these organizations is weak, however, and USAID plans to provide technical support for policy analysis, financial management and organizational development, to increase their importance to democratic governance in Mali.

USAID presently provides institutional support to the National Federation of Community Health Centers with 55 member centers, the National Federation of Handicraft Workers with 52 area structures (123 membership groups), and the Union of Savings Banks of Kolondieba (26 savings banks). The Chamber of Agriculture could turn into a valuable forum for governance, regulation, and policy debate. National women's associations are particularly weak and present a specific challenge to identify ways to link Malian women at the community and national levels. Developing skills within these associations will allow them to fulfill their natural role as liaison between community organizations and national institutions, translating Government policy to their members and articulating the needs of their members to authorities.

d. Enabling Environment Supportive of Community Organizations

Table II.E-4

<i>Enabling Environment Supportive of Community Organizations</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
1 percentage of community organizations that believe Government supports their work	50%
2 total number of new community organizations registered per year (by gender)	1,250 (300 women's)
3 percentage of electorate voting	60%
4 percentage of taxes recovered	80%
5 Inspector General performs audits throughout Mali and makes reports public	

<i>Enabling Environment Supportive of Community Organizations</i>	
<i>Indicators</i>	<i>Targets (1995 to 2002)</i>
6	National Mediator service created
7	number of people reached with civic education campaign in local languages
	3 million

Illustrative activities:

- reinforce and protect the right of association.
- fund civic education training, including literacy and numeracy, before and after communal elections.
- reprint existing legal materials in local languages.
- disseminate information, promote discussion and understanding through traditional and modern media.
- reform the National Commission for Evaluation of NGOs
- assist NGOs in establishing a code of ethics and its enforcement.
- help the Inspector General's Office expand its activities nationwide and ensure public availability of audit reports.
- provide financial and technical support to the creation of a National Mediator or Ombudsman to intervene in conflicts between citizens and the State.

Community organizations contribute most to decentralization and participatory democratic governance if they have the legal rights to exist and act, the access to knowledge with which to participate in policy debates, and some element of financial control with which to influence the outcome of debates. USAID will work with NGOs and professional, civic and trade associations to protect the legal status of community organizations and to ensure their participation in public policy decision-making.

To gain the most from governmental decentralization, citizens and community organization members must understand their rights and responsibilities within a democracy. USAID will support a sustainable civic education campaign through print media, national television, rural radio, and traditional media (e.g. theatre groups). Much of this information will be provided in local languages, into which legal texts and regulations will be translated.

Administrative abuse plagues both citizens and organizations at the community level. Continued vigilance and protection will be required under decentralization. USAID will help develop institutions that allow citizens to redress such abuse.

While NGOs are essential for catalyzing community organization activities, they have not developed institutions capable of enforcing common standards of behavior, giving Government officials some justification in trying to impose greater controls. USAID will continue to seek improved self-governance by NGOs. Community organizations require access to finance, and banks do not generally lend to these organizations. USAID will pursue

innovative financial mechanisms matched by efforts to increase the capacity of community organizations to manage funds.

4. Customers and Partners

a. Customer Identification

The customers of this strategic objective are Malian citizens who might participate in or benefit from the activities of community organizations. Customer identification grew out of meetings with Malian and foreign nongovernmental organizations (NGOs), community organizations, and Malian Government officials. USAID will channel its assistance to community organizations through NGOs and professional, civic and trade organizations. USAID will also provide institutional development support to these organizations, to help them better serve community organizations. At the Central Government level, USAID will focus on policy reform and other actions key to improving the performance of community organizations.

b. Partner Commitment and Accountability

The present Government is committed to decentralization, empowerment of local people, and a return to traditional Malian values of community and consensus. While many of Mali's elected leaders and appointed high Government officials strongly support the spirit of USAID's Governance Strategic Objective, some bureaucrats and even some National Assembly deputies still oppose reducing Government control over community organizations. To strengthen democratic institutions and successfully decentralize governance, Malian leaders are forging a pact with community organizations, NGOs and many professional, civic and trade associations. To help the Central Government redefine its role within the governance process, a long term commitment from donors is required.

Bilateral and multilateral donors complement USAID's governance investments with their own funding. Most notably, many of these donors⁴⁰ directly support the activities of Mali's Decentralization Mission. These donors are concentrating on fiscal and legal reform and development of rural communes, while USAID's comparative advantage lies in supporting the development of NGOs and community organizations. USAID closely coordinates its governance activities with the institutional reform and decentralization projects of other donors. For example, the World Bank is working with the Office of the Presidency to develop a multidonor institutional reform project to assist the Government in redefining the appropriate role for the State in Malian society. USAID's activities to improve the performance of community organizations complement and reinforce this project through their emphasis on community participation. USAID has also been joined by other donors in funding improvements in the legal system and developing the capacity of village and neighborhood associations.

The main US-based NGO partners in democratic governance are Save the Children-US, World Education, Near East Foundation, World Vision, Africare, CARE and Freedom From Hunger, in addition to international NGOs such as Oxfam UK, CECI (Canada), and Helvetas (Switzerland).

Professional, civic and trade associations that might become partners under this strategic objective include the Enterprise Network, the Federation of Handicraft Workers, the Chamber of Agriculture and the Federation of Community Health Centers.

c. Relationship to Agency Goals and Country Strategic Plan

This strategic objective fits exactly within the Agency's New Partnership Initiative to strengthen the role of non-governmental organizations in development programs, empower small businesses and entrepreneurs, and help nations bolster democracy at a local level. It also supports the four key areas identified by Global Bureau's Democracy and Governance Center Strategic Support Objective: rule of law, governance, electoral processes, and especially civil society. The Center's specific program objective of increasing NGO capacity and sustainability parallels this objective.

The Governance Strategic Objective complements the other Mission objectives in the following ways:

- 1) The Governance Objective contributes to public policy formation responsive to the needs of Malian citizens, which is vital to achievement of all other objectives.
- 2) Community organizations targeted by other strategic objectives (e.g. youth organizations, community schools, and local producer groups), will be the major targets for this objective.
- 3) This objective shares the focus of all objectives in improving citizen access to public information.

5. Assumptions and Sustainability

Assuring permanent change through this strategic objective assumes that:

- (1) The Government of Mali will devolve a significant amount of power to communal governments through the decentralization process.
- (2) Other donors and the Central Government will provide adequate financing and technical assistance to newly established communal governments to make them effective and responsive institutions.
- (3) Strong community organizations constitute an essential part of the discipline required for good governance under a decentralized democratic system.
- (4) The Government of Mali will guarantee NGOs and professional, civic and trade associations the freedom to assist community organizations.
- (5) Mali remains politically stable.

The Governance Strategic Objective seeks to establish necessary conditions for sustainable development through increased capacity of community organizations and their ability to operate effectively at the local level. This change will be accompanied by an increase in confidence in the Malian Government. Undoubtedly, some community organizations will not survive, due to environmental, economic and social factors. Nevertheless, USAID's success in helping community organizations play a leading role in local development will be measured

by the existence of a relatively constant number of strong organizations over an extended period of time.

Improved Access to, and Facilitated Use of, Information

- right of access to public information
- access to information in rural areas
- information accessible through institutions

- # of Internet users accessing Mali information
- databases & other information are organized and made user-friendly

Communications

Information Resources

Enabling Environment

R.P.

Expanded communication of information

- % of population covered by radio
- % of population covered by print media
- # of Mali World Wide Web page(s) on different subjects
- # of existing radio stations functioning reliably

Upgrade existing and support new rural radio stations

- # of existing radio stations upgraded
- # of new stations outfitted
- # of radio technicians trained

Expand community organizations capacity to print and distribute information

- # of community organizations receiving printing equipment
- # of community organizations receiving technical training

Create and promote World Wide Web (WWW) site for Mali

- Web site established and operational in Mali

Selected organizations obtain and use current development information

- # of people using the Information Resources Center
- # of times Information sources accessed through IRC
- # of people in selected institutions accessing Internet
- # of use hours on Internet for selected institutions

Create and staff an Information Resource Center

- creation of the Information Resources Center
- # of work stations established
- library catalogued and organized
- IRC data resources expand

Support Internet access among selected NGOs, colleges and secondary schools

- # of NGOs and partners linked to MaliNet
- # of colleges and secondary schools linked to MaliNet
- # of users trained
- # of users introduced to MaliNet who decide to connect themselves

Enhanced enabling environment

- Freedom of Information bill submitted for government review
- Informal surveys to determine if FOI Act works in practice

Support development of Freedom of Information legislation

- draft report on Freedom of Information constraints
- draft Freedom of Information bill completed

Policy dialogue on information & communication

- # of discussions held with relevant partners

Illustrated activities

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F. Information and Communication: Improved access to, and facilitated use of, information

In a memorandum dated April 3, 1995 from Vice President Al Gore to the USAID Administrator, USAID was mandated to enhance Africa's Internet connectivity and requested this be an Agency priority. The message stated that

"a free flow of information from diverse domestic and international sources will promote democracy and a civic society.... networking is not an end in itself, but a powerful tool for helping the African people improve their quality of life.... The Information Revolution is in its infancy. Unless Africa begins to develop its capacities in this area, there is a real danger that it will become increasingly marginalized and disenfranchised".

USAID Mali wholeheartedly agrees with this statement. In response, the Mission proposes a Special Objective in Information and Communication to assure that Mali is included in the Information Age through Internet access and other activities designed to promote information dissemination. Building on a liberalizing environment, the Information and Communication Special Objective will provide greater access to, and training in the use of, information using appropriate technologies.

1. Information and Communication Special Objective

To address and remedy scarcity of information access and use, USAID Mali proposes Information and Communication as a Special Objective.

a. Statement and Timeframe

The USAID Mali Information and Communication Special Objective seeks to achieve:

Improved access to, and facilitated use of, information

This Special Objective is an innovative and exploratory endeavor to improve both the dissemination of information and the way that information is used in Mali. It seeks to optimize the impact of social and economic activities, while reinforcing transparent governance, through the provision and utilization of information. The working hypothesis behind this Special Objective is that there exists significant demand for information in Mali.

This Special Objective will not produce or create information, but rather focus on existing information not exploited fully at present. USAID Mali foresees a five-year trial period for obtaining results under this Special Objective before making final decisions on the importance and impact of information and communication as an integral part of a development strategy. Depending upon results achieved during the trial period, this Special Objective could evolve into a separate strategic objective, cross-cutting theme or a sub-result of an existing Strategic Objective.

The Information and Communication Special Objective will have been accomplished when:

- (1) right of access to public information is assured,
- (2) access to information in rural areas is enhanced,
- (3) information is accessible through national and local institutions, and
- (4) users obtain Mali information via an Internet Web site.

2. *Problem Analysis*

Reliable and timely information are essential to the social, economic and political development of any society. Information scarcity hinders informed management decisions in the business community, impedes appropriate resource allocation decisions of health and education planners, obstructs access to research results and reviews by scientists and researchers, retards access to teaching materials by students, and curbs access to performance information by constituents. Politicians are also limited by lack of information to appreciate needs and concerns of their constituents, particularly in rural areas. In Mali, full access and capacity to utilize information are limited. Information in Mali is difficult to access and manage because telecommunication systems are underdeveloped, mass media have just begun to spread throughout the country, literacy rates are low, access to official data is controlled and limited, and national libraries are essentially non-existent.

However, Mali's present economic, political and social environments are ideal for the introduction of a Special Objective on Information and Communication. The government has begun to liberalize the press and airwaves. Eighteen private radio stations have emerged in Bamako, with another dozen scattered throughout the rest of the country. The proliferation of a free press can be seen at every corner kiosk, although primarily limited to major urban centers. Producers are using market price information to make informed decisions on what to grow and when to buy or sell. The devaluation of the CFA franc in January 1994 created tremendous opportunities requiring up-to-date price and market information. Rural villagers express need for information on the importance of baby-weighing and oral rehydration therapy. Malians need and want information that is useful, well-organized, and applicable to their lives to benefit both themselves and their country.

It cannot be overemphasized that increasing access to information is only part of the solution; management and use of information is also important. Mere access to information is insufficient if users are unaware of available information or cannot manage and organize it effectively. The Information and Communication Special Objective addresses both of these central problems: access to, and effective use and management of, information. The Special Objective will promote proactive management through informed decision-making in Mali to prevent rather than mitigate obstacles to Mali's advancement.

3. *Strategic Approach and Results Framework*

Similar to the subsector approach employed by the Sustainable Economic Growth Strategic Objective, information can be treated as a good or service that is produced, transformed and

consumed. Interventions of the Information and Communication Special Objective are targeted to relieve specific constraints and bottlenecks along the chain of subsector activities, thereby enabling the private sector to play its proper role as the engine of development in Mali. USAID Mali will emphasize the private sector (both profit and non-profit) to the maximum extent possible and stimulate demand for existing private sector information services, like MaliNet, by investing in equipment for and training of potential users. The strategy will proceed on a demand-driven basis to determine specific activities to implement and will not compete with the provision of goods (e.g., software, hardware, training) and services (e.g., e-mail, Internet access) by Malian private information and communications firms. The approach is to stimulate demand for existing services by demonstrating and promoting information and communication technologies and techniques, as well as adding value to existing information through organization, facilitated access and use. For example, USAID has discussed and committed itself to stimulate demand for local ("horizontal") e-mail connectivity by linking the AIDNET system to MaliNet before the end of calendar year 1995.

In consultation with partners and customers, USAID identified three key results packages required to achieve the Special Objective of *improved access to, and facilitated use of, information*. USAID will promote national and worldwide communication of information relevant to, and about, Mali, provide access to information resources (technologies and techniques), and foster an enabling environment for the free flow of information in Mali.

a. Expanded Communication of Information

Table II.F-1

		<i>Expanded Communication of Information Targets (1995 to 2000)</i>
	<i>Indicators</i>	
1	percentage of total population covered by radio	Target to be determined. Expect minimum of 15 rural radio stations equipped to expand coverage and improve signal quality broadcasting at least 2 hours of public service messages per month
2	percentage of population covered by print media	Target to be determined. Expect minimum 30 rural printing presses (mimeograph machines) installed each producing at least 4 newsletters per year
3	number of Mali World Wide Web pages on different subjects	To be determined. Expect over 50 pages in five years.
4	number of existing radio stations functioning reliably	To be determined. Expect 15 radio technicians and 30 mimeograph operators trained.

Illustrative activities:

- upgrade existing and support new rural radio stations
- expand community organizations' capacity to print and distribute information

- promote a World Wide Web site for Mali

Mali must focus on disseminating information more broadly to communicate new ideas and thereby change behavior. At the same time, Mali must seize the opportunity to engage in and benefit from the greater worldwide flow of information and economic opportunities. The Communication Result Package will provide Internet users around the world with readily accessible and timely information on Mali. Types of information envisioned include: economic and social data; investment opportunities; market information; public requests for bids or proposals; notices of upcoming conferences and seminars; cultural events; and tourist information. The communication results package will also upgrade existing or create new rural radio stations (low-wattage transmitters, antennas and studio equipment) to disseminate information nationally. Finally, this Results Package will enable local and regional newsletters in local languages to be published by targeted village associations or communes using simple mimeograph technology.

b. Information Resources Provided

Table II.F-2

<i>Selected Organizations Obtain and Use Current Development Information</i>		
	<i>Indicators</i>	<i>Targets (1995 to 2000)</i>
1	number of people using the information resources center (IRC)	To be determined. Well-organized documentation center with one or more professionals; 100 CD-ROM libraries provide information on technical, managerial and educational topics; 25 computer packages installed to assist users manage information
2	number of times information sources accessed through the IRC	To be determined. Technical assistance staff advises clients and partners on how to access Internet resources, establish their Internet workstations and conducts information research on technical topics
3	number of people in selected institutions accessing Internet	To be determined. 5 computer systems providing access to Internet via MaliNet; World Wide Web site provides a variety of information on Mali
4	number of use hours on Internet for selected institutions	To be determined

Illustrative activities:

- create and staff an information resources center in collaboration with the Malian private sector.
- provide technical, financial and training support for E-mail and Internet access in selected NGOs, colleges, secondary schools and government institutions.

Given newly expressed demand for information by Malians, the next step is to increase availability of technical, financial and training support to demonstrate information and

communication technologies, techniques and information media (printing and radio equipment, Internet use, World Wide Web, CD-ROM libraries, etc.). To meet this need a technical assistance and information center will be created with private sector partners' to provide outreach campaigns, organize roundtable discussions, create computer and MaliNet user groups, and play an active role in leveraging resources to optimize impact. Given greater receptivity among youthful audiences, demonstration campaigns will initially target colleges and secondary schools.

c. Enhanced Enabling Environment

Table II.F-3

<i>Enhanced Enabling Environment</i>		
	<i>Indicators</i>	<i>Targets (1995 to 2000)</i>
1	Freedom of Information bill submitted for government review	completed assessment of the publics' constraints to access public information
2	informal surveys to determine if Freedom of Information Act works in practice	draft Freedom of Information bill presented to the government

Illustrative activities:

- support development of Freedom of Information legislation
- engage in policy dialogue strengthening liberalization of the information and communication sector of the economy.

Access and use of information is particularly sensitive to the policy environment for information availability and transmission. USAID seeks to carry the success of liberalization to the information and communication sector.

4. Customers and Partners

a. Customer Identification

A panel of twelve representatives of Malian government agencies, international development organizations and local private sector firms was convened to provide regular input into the formulation of this Special Objective. Informal discussions were also held with Malian professionals, including university professors and local consultants. The Special Objective team also participated in each of the public roundtables on the overall Strategic Plan. In all instances, participants expressed enthusiastic agreement with the activities proposed in the Special Objective and indicated strong support for such services.

Grass-roots interest in information and communications was confirmed and reinforced through the organized roundtables, including a three-day field trip to talk with representatives of local organizations, rural administrative officials, journalists, labor union and trade association delegates, and selected representatives of the rural population. Increased availability of information in local languages on citizen's rights and responsibilities was a clear message that emerged from this visit. Other notable ideas included: reduced government

interference in mass media; lower taxes for private radio stations; more information available in local languages; training of personnel in media; and nation-wide television coverage.

b. Partner Commitment and Accountability

USAID collaborates with the Canadian International Development Agency (CIDA) in developing a Special Objective in information and communication and will continue to complement and reinforce efforts. CIDA's efforts focus on financing telecommunications infrastructure (i.e., availability) while USAID concentrates on the Mission's comparative advantage in informational access and use issues. ORSTOM⁴¹ makes limited Internet services available throughout Africa (via RIONET), including Bamako, but the Mali experience with a research institution as Internet service provider resulted in client frustration. The Food and Agriculture Organization of the United Nations also has a small program of support for rural radio.

Many private sector firms in Mali offer computer expertise and technology,⁴² with some firms beginning to explore telecommunications. For example, *Bintta Informatique* established the MaliNet e-mail network in Bamako and other Malian cities and towns through its own investment in servers, software and technical assistance. Established in January 1995, MaliNet presently has over one hundred defined users to its e-mail and informational databases across a dozen institutions.

Several PVOs in Mali have launched well-received activities to provide information access over the past few years: the Near East Foundation's rural radio in Douentza; the Cooperative League of the U.S.A. (CLUSA) rural newsletter; CARE and Africare newsletters on a variety of technical topics. Non-commercial rate e-mail connections are being provided by a local PVO, *Balazan Institute*, using FidoNet technology⁴³ with links to a similar node in Senegal. Principal users are expected to be smaller PVOs, local NGOs and individuals, with *Balazan Institute* hosting the FidoNet node.

The GRM is also interested in Information and Communications. Telecommunications was one of eight development themes presented by the government at the donor roundtable on Mali held in Geneva in September 1994. The GRM requested USAID Mali's Policy Reform for Economic Development Project (PRED) to help identify appropriate technologies to implement a local network within key government ministries. Another development priority the GRM expressed at the Geneva conference was to modernize the public service and reduce expatriate technical assistance. Internet access will enable GRM agencies to tap into "remote technical assistance" at costs much less than presently expended.

Finally, Global Bureau's Human Resource Development draft Strategic Plan contains a Supporting Strategic Objective on global information and learning systems that emphasizes the importance of information access and adequate communication methods for sustainable development. USAID Mali would like to collaborate with the Human Capacity Development Center as one of fifteen Missions to receive USAID-assisted technologies, materials, training,

and other tools to develop their information dissemination and learning systems. The Mission continues to work closely with the Information Resources and Management office to promote horizontal network connectivity in Mali by creating a gateway between AIDNET and MaliNet.

USAID Mali would also like to be considered as a participant Mission in the Leland Initiative.⁴⁴ Furthermore, USAID Mali collaborates closely with the local USIS office to identify respective institutions strengths and weaknesses to assure complementary rather than duplicative efforts.

c. Relationship to Agency Goals and Country Strategic Plan

US government support for information and communication was exhibited in March 1995 at the World Summit for Social Development in Copenhagen where the Vice President presented the U.S. Government's New Partnership Initiative. This initiative pledges U.S. support to strengthen non-governmental organizations, empower small businesses, and help nations bolster democracy at the local level, and states that

"USAID will also use new communications technologies to further link and empower NGOs around the globe."

The Information and Communication Special Objective will work closely with the three Strategic Objectives to complement their activities and enhance results achievement. Several long-term ancillary benefits are expected from this type of synergistic collaboration between strategic objectives including:

- (1) providing the means of disseminating information on reproductive health services, AIDS prevention, child care, and the importance of girls' education with the Youth Strategic Objective.
- (2) providing the means for dissemination and reception of timely market-relevant information both nationally and internationally with the Sustainable Economic Growth Strategic Objective.
- (3) promoting greater public participation in the democratic process by providing the means of dissemination of information on the structure, performance and procedures of elected officials and feedback from constituents with the Governance Strategic Objective.

5. Assumptions and Sustainability

The Information and Communication Special Objective assumes the following conditions will be maintained during the five-year implementation period:

- (1) Mali continues to liberalize access to airwaves and print media;
- (2) Mali continues path towards decentralized democracy;

- (3) Malian citizens are willing to pay reasonable costs for information that is useful and applicable to their lives; and
- (4) Telephone access (for MaliNet connections) becomes easier.

The Democratic Governance Strategic Objective increases the likelihood of assumptions (1) and (2). Existing private media groups indicate a willingness-to-pay for newspapers, newsletters, radio and television, if they contain relevant and useful information. The Malian telecommunications service has announced plans to expand the telecommunications network in Mali (12,000 new lines by 1997), and financing options are under discussion.

Technical sustainability relies on the ability of Malians to install, operate, maintain and upgrade technologies involved in information and communication. USAID's approach of focusing on the private sector and training, rather than external expertise, helps assure progress towards technical sustainability. This Special Objective will promote technical sustainability by responding to demand-driven assistance and channelling most activities through private sector institutions, both profit and non-profit.

Financial sustainability is partly a function of the usefulness of the information and the value-added nature of its presentation. Some information has obvious monetary value and activities associated with it are financially sustainable on a private, individual basis. Examples include print and broadcast media (newspapers, newsletters, specialized economic and market information publications) which are sold and contain cost-offsetting advertising. Private sector firms and potential clients have expressed interest in assuming recurrent costs once initial capital investments are made and the utility of the service demonstrated. However, some information is considered a "public good," belonging to all members of society, but for which no single individual is willing to pay. Since individuals in a society may not necessarily be willing to pay for a public good (e.g., cereal market information system data), long-term financial prospects of these types of information may require public or other form of sustainable funding (e.g., foundations).

G. Results Center: Judging Achievement and Continuous Learning

USAID Mali proposes the creation of a special, analytical group within the Mission, entitled the Results Center, to continually monitor and regularly judge progress towards achieving results. The Results Center will be USAID Mali's performance monitoring system to collect, process, archive, add-value and present information to permit the assessment of performance. The Center will continually monitor the validity of the assumptions upon which the goal, strategic objectives and results packages are based. The Center will work closely with each Results Package Team, and their respective Strategic Objective Teams, to identify, on a regular and joint basis, the information measurement needs, progress towards result attainment, new opportunities, best practices and important structural or policy changes.

The two main purposes of the Results Center are to (1) keep USAID on-track to achieve the program goal, and (2) make USAID into a continuous learning organization. The Center seeks to avoid the pitfalls of the traditional linear sequence of project design, implementation and evaluation by assuring that these three interactive components of strategic planning are concurrently addressed on a continuous basis. The Center will be charged with monitoring for AID/W reporting, as in a traditional Program Office, and serve as the intellectual and analytical backbone of the Mission. It will be responsible for capturing, distilling and disseminating lessons learned within the Mali program and from other development partners.

The Results Center will measure performance and document impact through a process of sustained appraisal that requires objective measurement and comparison of results, independent of the implementing unit. The Center will provide information for making program adjustments to increase effective utilization of information to improve decisions on a regular, on-going basis. Information provided by the Center will inform management and resource allocation decisions on when and what to modify over time to ensure goal achievement based upon measured progress towards expected results. The Results Center will be a monitoring, evaluation and research core that monitors results to judge performance, evaluates activities to determine best practices and performs applied research to test hypotheses about causal linkages. It will provide value-added information to inform the implementation of existing activities, the design of new activities, the allocation of resources, the review of strategic objectives, and the body of knowledge about development.

Information processed and communicated by the Results Center will allow alterations in implementation tactics based upon improved knowledge of the problem, better understanding of development in general and as achievement to-date is judged. The Center will also be the source of designing new activities and strategic objectives, in collaboration with the existing strategic objective teams. Finally, the Center will be the embodiment of USAID's commitment to become a learning institution based upon effectiveness and efficiency. The Results Center will have no implementation responsibilities to allow focus on reflective, analytical and intellectual work with prompt feedback to the operating units and management.

H. Global Objectives Outside the Bilateral Strategy

The USAID bilateral strategy foresees many potential synergies with the Strategic Plans of the Global Bureau and has already begun to explore collaborative links with each of the Centers. Specific examples of collaborative opportunities were mentioned in each of the four strategic objectives sections presented above. Youth has potential linkages with the Population, Health and Nutrition, Human Capacity Development and Environment centers. Governance is aligned with the four key areas identified by the Democracy and Governance Center: rule of law, governance, electoral processes, and, especially, civil society. The Center's specific program objective of increasing NGO capacity and sustainability directly parallels the interests of the Governance Team in Mali. Sustainable Economic Growth's approach and results packages are fully compatible and complement the Economic Growth Center's two strategic objectives of (1) better access to finance and information by micro and small business people (Financial Services Results Package) and (2) environmentally sustainable improvement in agricultural yields and farmer incomes (Cereals, Livestock and New Opportunities Results Packages). USAID Mali's Special Objective in Information and Communication intends to be involved with the continent-wide effort to connect Africa to the information superhighway via the Leland Initiative and the Human Capacity Development Center's global information and learning systems.

PART III: RESOURCE REQUIREMENTS**A. Estimated Planning Period Resource Requirements to Achieve the Strategic Objectives**

USAID Mali's strategic planning period begins in FY 1996 and ends in FY 2002, a period of seven years. The Mission vision and goal require a longer planning period. The ability of USAID to achieve its strategic objectives within seven years is dependent upon the level and regularity of funding, as well as the flexibility to program funds where they are needed. Inadequate funding, or overly restricted use of funds, could delay achievement of strategic objectives. Significant reductions in funding would force the Mission to consider dropping the special objective on information and communication and revising the percentage breakdowns between the other strategic objectives.

Table III-1 presents the illustrative annual funding levels for each objective and how each contributes to the main Agency focus areas. These breakdowns are based on ACSI codes developed for each strategic objective. Youth will receive 43% of funds, sustainable economic growth 32%, governance 21% and information and communications 4%. These percentages might change as USAID further defines the activities associated with the objectives. The total figure of \$28 million per year, consistent with planning levels set by USAID Washington, is a good estimate of the minimum levels required to achieve the strategic plan.

TABLE III-1: Illustrative Annual Funding by Strategic Objective and Agency Focus Area (millions of dollars)

STRATEGIC OBJECTIVE	AGENCY FOCUS AREA				TOTAL	PERCENT OF TOTAL
	Encouraging Economic Growth*	Stabilizing Population Growth	Protecting the Environment	Building Democracy		
<i>Youth</i>	8	2.5	0.5	1	12	43%
<i>Sustainable Economic Growth</i>	7		1	1	9	32%
<i>Governance</i>	3	0.5	0.5	2	6	21%
<i>Information and Communication</i>	0.3	0.1	0.1	0.5	1	4%
TOTAL	18.3	3.1	2.1	4.5	28	100%
% OF TOTAL	65%	11%	8%	16%		100%

* includes \$4.1 million for child survival, \$5.6 million for basic education, \$1.5 million for AIDS and \$3.0 million for microenterprise development

Because of their cross-cutting nature, each of the Mission's strategic objectives contributes to at least three of the four Agency focus areas. The total value supporting each focus area is more precise than the value contributed by each strategic objective. Based on standard definitions of Agency focus areas, 65% of USAID's program will encourage economic growth, 11% will stabilize population growth, 8% will protect the environment and 16% will build democracy. Funds supporting economic growth include \$4.1 million for child survival, \$5.6 million for basic education, \$1.5 million for AIDS, and \$3.0 million for microenterprise, in addition to more traditional economic development activities.

Table III-2 provides annual funding requirements by year and by strategic objective, as well as OE and staffing requirements. A total of \$219.4 million will be required to fund the full seven-year strategy. USAID Mali program funds for procuring USAID Washington services, mainly from the Global Bureau, are included in the figures for each strategic objective. Regional projects, such as FEWS, are not included, although it is recognized that some of their activities contribute to achievement of USAID Mali's strategic objectives. The table also shows how USAID will decrease both operating expenses and staffing during the seven-year period.

TABLE III-2: Funding Requirements by Fiscal Year and by Strategic Objective
(millions of dollars)

	1996	1997	1998	1999	2000	2001	2002	TOTAL
<i>Youth</i>	12	12	12	12	12	12	12	84
<i>Sustainable Economic Growth</i>	9	9	9	9	9	9	9	63
<i>Governance</i>	6	6	6	6	6	6	6	42
<i>Information & Communication</i>	1	1	1	1	1	1	1	7
Total OYB	28	28	28	28	28	28	28	196
Total OE	3.4	3.4	3.4	3.4	3.3	3.3	3.2	23.4
Total Budget	31.4	31.4	31.4	31.4	31.3	31.3	31.2	219.4
	Full Time Equivalents							
	1996	1997	1998	1999	2000	2001	2002	
USDH	14	14	13	13	13	13	13	93
PASA	2	2	2	2	2	2	2	14
OE FUNDED FSN-DH	8	7	6	5	2	0	0	28
OE FUNDED FSN-PSC	56	56	55	54	54	53	52	380
PROGRAM FUNDED FSN	32	32	32	32	32	32	32	224
PROGRAM FUNDED PSC	5	5	5	5	5	5	5	35
TOTAL FTE	117	116	113	111	108	105	104	774

By obligating by strategic objective, USAID will have more flexibility than in the past to fund staff with program funds, reducing pressure on operating expenses. Non-USDH members of strategic objective teams will be funded with program funds, to the extent possible. In

addition, program funds associated with each strategic objective will support design activities and the monitoring and evaluation functions of the Results Center.

Through Mission re-organization, staff numbers will be reduced by the end of the first year and will continue to decrease by anticipated attrition. As a result, operating expense funding for staff costs will be reduced. To better serve USAID customers, the Mission will devote a larger percentage of its OE funds to local travel and meetings with partners, shareholders and customers. Not included in the tables are requirements for assistance from the Mission's virtual team members, such as REDSO technical staff, and Washington personnel based in the Africa Bureau and each of the Global Bureau Centers.

TABLE III-3: Annual Funding by Strategic Objective and by Congressional Interest Area
(OYB = \$28 million)
(millions of dollars)

STRATEGIC OBJECTIVE	CONGRESSIONAL INTEREST AREA						TOTAL
	Child Survival	Population	AIDS	Basic Education	Environment	Micro-Enterprise	
<i>Youth</i>	2.5	2.5	1	5	0.5	0.5	12
<i>Sustainable Economic Growth</i>					1	2	3
<i>Governance</i>	1.5	0.5	0.5	0.5	0.5	0.5	4
<i>Information and Communication</i>	0.1	0.1		0.1	0.1		0.4
TOTAL	4.1	3.1	1.5	5.6	2.1	3	19.4
% OF OYB	15%	11%	5%	20%	8%	11%	69%

Table III-3 demonstrates the extent of support for Congressional interests in the USAID Mali strategic plan. The USAID strategy strongly supports Congressional interests in basic education and child survival, and also funds activities dealing with population, microenterprise, AIDS and the environment. Approximately 69% of the annual budget funds areas of Congressional interest.

B. Discussion of Programming Options

1. Mission Priorities

USAID Mali's strategic plan is unique in that its goal is stated in a way that guides the development of follow-on strategic plans. In order to accomplish the goal, *Mali achieves a level of sustainable economic, political and social development that eliminates the need for concessional foreign assistance*, USAID must work closely during each strategic planning

period with other donors, the Malian Government, local governments, civil society and the private sector. The proposed strategic objectives are based on an analysis of development needs and opportunities, as well as an understanding of the roles of each of the above development partners. USAID concluded that its comparative advantage was in addressing the problems identified in the strategic objectives for youth, economic growth, and governance. These objectives contribute synergistically, and are essential, to accomplishment of the goal.

If USAID did not fund one or more of the three strategic objectives, it is uncertain that other development partners could adjust their activities to compensate. For this reason, if USAID did not receive all of the funds requested, it would decrease funding to the three strategic objectives, rather than drop any of them from the strategic plan.

While the special objective on information and communications is important to achieving USAID's goal, it has not been explored thoroughly enough to determine whether it is essential and the degree to which USAID would have a comparative advantage in implementing it. If funding levels decreased significantly, USAID would consider dropping its commitment to this objective.

In the face of less significant funding reductions, USAID's strategic objective teams would be asked to present revised budgets for each of their results packages. No results package would be dropped, since they are all essential to accomplishing their respective strategic objectives. Reduced funding for results packages would translate into delays in accomplishing the desired results and related targets.

2. *Congressional and Administration Mandates*

The proposed funding levels for each strategic objective and the program as a whole have been developed through extensive consultations with USAID's customers, partners and stakeholders. While the strategic plan is strongly supportive of Congressional interests, these interests were not the major factor influencing the plan's development. If the Mission were required to meet the Congressional targets set by USAID Washington without receiving additional program funding, the balance between the strategic objectives would be upset. USAID's proposal for \$28 million is the minimum funding level to accomplish all strategic objectives, as measured by the associated indicators, within seven years. The program level would need to be increased to \$30.8 million, in order to both meet Mission targets for Congressional soft earmarks and adequately fund all strategic objectives. The additional \$2.8 million would support the Youth objective. Tables III-4, III-5 and III-6 show how such a program would support agency focus areas and Congressional interests.

TABLE III-4: Illustrative Annual Funding by Strategic Objective and Agency Focus Area - Meeting Earmark Targets
(millions of dollars)

STRATEGIC OBJECTIVE	AGENCY FOCUS AREA				TOTAL	PERCENT OF TOTAL
	Encouraging Economic Growth *	Stabilizing Population Growth	Protecting the Environment	Building Democracy		
<i>Youth</i>	11.1	2.5	0.2	1	14.8	48%
<i>Sustainable Economic Growth</i>	7		1	1	9	29%
<i>Governance</i>	3	0.5	0.5	2	6	19%
<i>Information and Communication</i>	0.3	0.1	0.1	0.5	1	3%
TOTAL	21.4	3.1	1.8	4.5	30.8	100%
% OF TOTAL	69%	10%	6%	15%		100%

* includes \$5.9 million for child survival, \$5.3 million for basic education, \$3.5 million for AIDS and \$3.0 million for microenterprise development

TABLE III-5: Funding Requirements by Fiscal Year and by Strategic Objective - Meeting Earmark Targets
(millions of dollars)

	1996	1997	1998	1999	2000	2001	2002	TOTAL
<i>Youth</i>	14.8	14.8	14.8	14.8	14.8	14.8	14.8	103.6
<i>Sustainable Economic Growth</i>	9.0	9.0	9.0	9.0	9.0	9.0	9.0	63.0
<i>Governance</i>	6.0	6.0	6.0	6.0	6.0	6.0	6.0	42.0
<i>Information & Communication</i>	1.0	1.0	1.0	1.0	1.0	1.0	1.0	7.0
Total OYB	30.8	30.8	30.8	30.8	30.8	30.8	30.8	215.6
Total OE	3.4	3.4	3.4	3.4	3.4	3.4	3.4	23.8
Total Budget	34.2	34.2	34.2	34.2	34.2	34.2	34.2	239.4
	Full Time Equivalents							
	1996	1997	1998	1999	2000	2001	2002	
USDH	14	14	13	13	13	13	13	93
PASA	2	2	2	2	2	2	2	14
OE FUNDED FSN-DH	8	7	6	5	2	0	0	28
OE FUNDED FSN-PSC	56	56	55	54	54	53	52	380
PROGRAM FUNDED FSN	32	32	32	32	32	32	32	224
PROGRAM FUNDED PSC	5	5	5	5	5	5	5	35
TOTAL FTE	117	116	113	111	108	105	104	774

TABLE III-6: Annual Funding by Strategic Objective and by Congressional Interest Area - Meeting Earmark Targets (OYB = \$30.8 million)
(millions of dollars)

STRATEGIC OBJECTIVE	CONGRESSIONAL INTEREST AREA						TOTAL
	Child Survival	Population	AIDS	Basic Education	Environment	Micro-Enterprise	
<i>Youth</i>	4.3	2.1	3	4.7	0.2	0.5	14.8
<i>Sustainable Economic Growth</i>					1	2	3
<i>Governance</i>	1.5	0.5	0.5	0.5	0.5	0.5	4
<i>Information and Communication</i>	0.1	0.1		0.1	0.1		0.4
TOTAL	5.9	2.7	3.5	5.3	1.8	3	22.2
% OF OYB	19%	9%	11%	17%	6%	10%	72%

3. Country Conditions Warranting Increases or Decreases in Assistance

USAID, like other donors, has great confidence in the vision, goals and development policies of Mali's leaders. This explains why donors provide resources constituting 18% of Mali's GDP. This situation could change, however, requiring USAID to rethink its strategy. If the Government significantly strays from its commitment to political and economic liberalization, USAID would be forced to reconsider its Governance strategic objective, which is predicated on continuation of decentralization. There would also be a significant impact on the Youth and Economic Growth Strategic Objectives, which place a strong emphasis on working with decentralized institutions and the private sector.

The Government has made admirable progress in stabilizing the northern regions where political instability had prevented many development initiatives from moving forward. USAID has now reinstated the North as a geographic focus of its program. As 200,000 refugees return to Mali, resettlement will become an important donor concern, and USAID would be expected to provide some of the funding. If the peace settlement breaks down and instability spreads beyond the northern regions, USAID would likely be unable to carry out all of its planned activities, negatively impacting accomplishment of its strategic objective.

One of USAID's success stories is cereal market liberalization, which has eliminated the need for emergency food imports in recent years. The resurgence of severe drought might overwhelm Mali's food security system, requiring donors to provide food aid. USAID would require additional resources to respond to such food needs.

Even if the Malian political and economic environment remained stable, growing dissatisfaction with foreign aid in their own countries might force other donors to significantly reduce their assistance to Mali. USAID would have to analyze the gaps these donors would leave, the impact on the success of multidonor projects, and how its strategic objectives would have to be modified to compensate. It is unlikely that USAID would be forced to consider alternative strategic objectives in the medium-term.

While USAID is the fourth largest bilateral donor to Mali, through its promotion and nurturing of innovative ideas, it has an impact on development far exceeding the size of its resources. While at the current time, \$28 million is the minimum level required to achieve Mission strategic objectives, if country conditions change significantly, additional analysis would be required to determine appropriate funding levels.

ANNEX A: Frequently Asked Questions of USAID Mali's Strategic Plan

The Goal Statement is ambitious. Is it within USAID's manageable interest ?

Under re-engineering a goal is "the highest level development result to which we contribute, but which is beyond our level of accountability," thus USAID is not solely responsible for reaching the goal. USAID contributes to goal attainment but the actions and activities of our partners and customers also play a significant part. USAID, by stating a bold, high level goal, has focused partner and customer attention on the task at-hand and continues USAID's role as an initiator and supporter of new ideas, and not just a provider of funds. To-date, our partners have been challenged and inspired by the goal and are committed to achieving it. USAID seeks to have the Malian Government begin to think and plan for the long-term (i.e., generational change).

Why is the goal so important to USAID Mali ?

The Goal Statement was the first element of the re-engineered USAID Mali Strategic Plan that captured the imagination and garnered broad support among Mission staff. Whenever disagreements on direction or activities arose, discussants could always return to the shared goal to settle a debate. If the proposed result or activity was not tied clearly, directly or compellingly to goal attainment, then it was dropped.

The goal statement is a forward-looking statement with which USAID's partners and customers agree. The hard reality of achieving this goal often shocks people when presented in terms of required growth rates in per capita GDP and population. However, this shock is positive in that it requires people to focus their efforts and not dissipate energy in activities that do not focus significantly on goal attainment.

How are the Strategic Objectives related to the Goal Statement ?

The Strategic Objectives and their affiliated results were chosen as critical contributions to attainment of the goal for which USAID has expertise and advantage. The Strategic Objectives are the vehicles through which USAID contributes to reaching the goal and are on the critical path to the goal. It is the role of the Results Center to assure that USAID remains on this critical path to the goal through its Strategic Objectives and to suggest the appropriate timing and type of changes necessary to keep USAID's "eye on the prize" (i.e., goal attainment).

Why Youth ? What is the final objective of a Youth Focus ?

The 1991 popular revolution against a 23-year military kleptocracy was led by the country's youth. Many youth were martyred in the effort to overthrow the corrupt regime. Youth are politically active and will continue to be, as the first two years of the democratically elected government and its student unrest demonstrated. This growing political awareness and influence, when combined with the inexorable

population dynamics of Malian society, point to an emerging group of future citizens that can either be a stabilizing or de-stabilizing influence on Malian society.

USAID seeks to equip a generation with the skills and capacities to be functional members of society through an integrated package of activities. Giving the upcoming younger generation a stake in society yields the return of a more stable society. The USAID program in Mali must focus its activities. A thorough analysis of political and population trends, coupled with the high level development vision and goal of reduced dependence, argued for targeting a demographic group to implement change in Mali. USAID Mali seeks to change the behavior of a generation towards health, education, economics, and environment.

How does this Strategic Plan deal with Child Survival ?

After long discussion and debate within the Mission and among partners, clients and stakeholders, child survival is included as a specific Results Package within the Youth Strategic Objective. Including Child Survival within the Youth Strategic Objective recognizes that the ultimate beneficiaries of child survival activities, children less than five years old, must be implemented through their parents. These parents are most often young men and women whose attitudes, behaviors and information about child survival practices must be targeted to have ultimate impact on their children. ✓

How does this Strategic Plan deal with Policy Reform ?

The Mali Strategic Plan focuses policy reform efforts on a sectoral basis. Broad macroeconomic reform is left to the multilateral financial institutions (World Bank and IMF), although USAID will continue to confer and discuss relevant issues with these partners. USAID Mali's approach is to use the policy reform mechanism to reinforce our existing portfolio efforts rather than a stand-alone reform program. Policy reform and non-project assistance efforts will be brought to bear on those portions of our overall program that run into policy constraints in achieving their results whether they be in tariffs, education, health or information. Thus, policy reform is seen by USAID Mali as a cross-cutting tool that is utilized when the existing or non-existent policy is identified as a barrier to achieving stated results throughout the strategic plan.

How does this Strategic Plan deal with Food Security ?

USAID Mali shares the USAID Administrator's vision of food security expressed in his June 13, 1995 speech to the International Food Policy Research Institute and the National Geographic Society. The Administrator presented a broader view of food security that touches on issues of population, health and nutrition, economic growth, environment, and democracy. Mali's Youth Strategic Objective emphasis on population, health and education, particularly for women, highlights the role of lowered birthrates, increased child survival, and girls' education in food security, as emphasized in the speech. Broad-based economic growth and its importance for food security, particularly in primarily agrarian nations like Mali, requires the kind of focus on

agriculture represented in Mali's Sustainable Economic Growth Strategic Objective. The move to land-conserving agricultural technologies through irrigation in this strategic objective highlights the most crucial environmental aspect of food security in Mali, water management and reduced pressure on marginal lands. The Governance Strategic Objective will support increased transparency and community involvement that are crucial to democracy and whose importance to food security are emphasized in the writings of Amartya Sen. The Information and Communication Special Objective will advance the Administrator's emphasis on prevention and communication as "the least expensive yet most effective way" to deal with food security problems through continued support and collaboration with national (SAP), regional (CILSS), continent-wide (FEWS) and international (GIEWS) information and early warning systems.

Given that Mali is a sahelian country why is there no explicit reference to disaster prevention activities ?

USAID Mali's perspective is that development is the best means to mitigate disasters (see the response to the previous question on food security). USAID, along with other donors and the Malian government, invested significantly in national information systems throughout the last decade (early warning system and cereal market information system, particularly). These institutions have passed to second generation problems of financial sustainability rather than the earlier technical problems. USAID recognizes that our role is more to support these and other information systems rather than be directly involved in disaster prevention.

What is the role envisioned for PVOs and NGOs in this Strategic Plan ?

This strategic plan has a definite private sector orientation. Private sector for USAID Mali includes both for-profit firms and non-profit PVOs and NGOs. The present portfolio of USAID Mali implements approximately 30% of its value through PVOs/NGOs. USAID Mali would like to increase this figure over the life of this strategic plan, if practicable. USAID Mali seeks reliable and accountable partners among the PVO/NGO community who share our vision, goal and objectives to act as intermediaries in the execution of our strategic plan.

How does this Strategic Plan deal with Natural Resource Management ?

While explicit in the Sustainable Economic Growth Strategic Objective, the promotion of appropriate natural resource management is a cross-cutting theme throughout the USAID Mali portfolio. NRM and the environment are cross-cutting sustainability questions that are addressed throughout the strategic objectives and within each of the proposed results packages. Relating sustainability to economic growth is a fundamental precept of the USAID Mali strategy which recognizes that appropriate natural resource management for sustainability does not have to be inconsistent with economic growth.

NRM activities will be brought to bear when environmental concerns are identified as a major constraint to sustainable economic growth. This approach is analogous to that proposed for policy reform outlined above. USAID Mali's strategic plan takes a long-term, generational view that obliges a continual cross-cutting concern for preservation, conservation and enlightened utilization of the natural resource base to assure long-term growth prospects. Short-term gains at the expense of future growth and generations is antithetic to this strategy.

The GRM is presently preparing its National Environmental Action Plan (NEAP) that should be completed by 1996. A decree establishing the institutional framework has already been promulgated, as well as a work program and budget. A national commission has begun work on the NEAP and is holding regional workshops to obtain input at the local level on the draft outline. Germany is the lead donor in this effort. Local level NRM is a key element of the new natural resource legislation enacted in 1994 with emphasis on local participation and ownership responsibilities. USAID's Governance strategic objective will work with local community groups involved in NRM activities.

Does the USAID Mali program have a geographic focus ?

The USAID Mali program does have a geographic focus in the sense that a focused program can not be active in every corner of a large country like Mali. However, the USAID Mali program does not have an *a priori* determination of what areas in Mali we will and will not work. Decisions concerning which geographic areas receive USAID activities will be determined by the need to attain and relevance to the goal, strategic objectives and results, and not by arbitrarily determined administrative boundaries.

Does the USAID Mali program have an urban or rural focus ?

The USAID Mali program does not have an *a priori* determination of the physical locations in which we will work. The program is goal-driven with strategic objectives that steer the USAID program along a critical path to the goal attainment. Governance, economic growth, youth and information and communication activities will be identified in both rural and urban settings.

How is this program different from traditional USAID activities in Mali ?

This program flows directly from and remains internally consistent with the Vision Statement. The goal, to eliminate concessional aid, makes explicit USAID's desire to work itself out of a job and to eventually "graduate" from Mali. This Strategic Plan has made a realistic appraisal of the possibility of Mali graduating in the foreseeable future and put the USAID Mali program on a path for meeting this goal.

The program is also innovative at the strategic objective and results, as well as activities levels. The focus at the strategic objective level on a demographic group (youth), rather than a technical area, is very new to Mali. The tools of "Debt for

Development," "Venture Capital" and "Endowments" are clearly new ideas within the Malian context and reaffirms USAID Mali's move to a "bailleur d'idées" and not just a "bailleur de fonds." The Special Objective of Information and Communication is also very forward-looking and reinforces USAID's innovative approach to development. The Governance strategic objective is the first effort of USAID to address decision-making at the community level and to formally support devolution of power to locally elected government.

The previous strategic plan did not explicitly address the issue of savings mobilization but our review of the portfolio and activities revealed that the Mission was significantly involved in the financial subsector (about \$7 million per year) but through a variety of dispersed programs. The disparity of these programs led to a proliferation of approaches and no overall strategy for savings mobilization within the Mission's strategic plan. The new plan makes savings mobilization and credit a distinct results package within the Sustainable Economic Growth Strategic Objective that is directly supportive of the Mission goal and vision. A new activity for the Mission will be to participate in the policy dialogue on reform of the financial subsector.

What direct impacts have discussions with partners and customers had on this Strategic Plan?

The Youth Strategic Objective added the 20 to 24 year old age group to its definition of "youth" at partner request and to reflect the reality of Malian society. The Governance Strategic Objective would have likely become a cross-cutting theme but for the intervention of partners, customers and USAID Malian staff. They all insisted upon the significance of a major donor, like USAID, highlighting and emphasizing the importance of good governance to development. They argued convincingly that the need for explicit donor support was necessary to protect, consolidate and advance the gains of Mali's nascent democracy. Customer and partner feedback on the Information and Communication Special Objective resulted in a new name (previously entitled Information and Technology) and focus on both access and use of information. The strategic objective had been previously stated as a much more technology driven program rather than its present demand driven focus.

Discussions with the Ministry of Rural Development impressed upon USAID the importance of a long-term focused commitment to particular areas. When the head civil servant at the Ministry was asked what he most appreciated about USAID, he stated that compared to other donors he was impressed by USAID's long-term commitment to two subsectors in Mali (rural development and livestock). This led USAID to not "throw the baby out with the bath water" and to realize that there were certain areas in which we were having a very positive impact and that these activities should be continued and improved.

Strategy related discussions with existing partners discovered general agreement on the approach outlined in this Strategic Plan. Subsequent discussions, and clearly the major focus of existing partners, centered on the mechanisms USAID uses for executing programs and projects with partners. USAID received sharp feedback on many of our operating procedures, their redundancy, lack of clarity, poorly delineated lines of responsibility, and poor turnaround on requests and existing funding agreements.

Finally, continual review, participation and input from partners and customers led directly to USAID Mali including this section on "Most Frequently Asked Questions" within its Strategic Plan presentation. Recurring questions posed by staff, partners and customers were increasingly similar and a common written response was deemed effective in helping clarify and focus discussions on improving rather than explaining the final product.

ANNEX B: Customer and Partner Consultations

The nine month development of a re-engineered strategic plan used several means and multiple occasions to elicit feedback and participation by partners and customers. Techniques employed included formal questionnaires, focus groups, consultants, roundtable discussions, face-to-face meetings and organized workshops. In addition to broad overview sessions, each thematic strategic objective working group identified and implicated their respective partners and customers in their strategic planning process. The most effective method utilized to elicit customer and partner input proved to be the organized focus group meetings with specific groups organized by USAID staff or Malian consultants and prepared discussion questions. The partial listing below presents a chronological review of customer/partner meetings. The listing provides dates, participating or organizing strategic objective team (YUT = Youth, SEG = Sustainable Economic Growth, GOV = Governance, IC = Information & Communication, and ALL = all groups) and a brief description of attendees.

GENERAL CALENDAR**November 1994:**

? ALL Introduction to re-engineering principles and objectives by Wayne King of the Intensive Re-Engineering Team (IRT).

December 1994:

14-17 ALL Three-day Mission retreat in Sélingué attended by two-thirds of the Mission with one day devoted to customers and partners; Adolph Wilburn (Mali Desk Officer) and Michelle Adams-Madsen (Africa Bureau, DP) attended from USAID Washington. Belinda Barrington (Regional Legal Advisor) and Francois Faye (FSN) attended from USAID Dakar.

? ALL REDSO Scheduling Conference with a special session for re-engineering Missions.

January 1995:

? ALL Democratically elected Mission Steering Committee with oversight of both Strategic Planning and Re-Engineering

15 ALL Strategic Planning and Re-Engineering Task Force Leaders nominated

30 ALL Strategic Planning and Re-Engineering Working Groups created

February 1995:

Feb	SEG	AID Washington TDY visits by Rod Kite and Joan Atherton of Africa Bureau's West Africa Office (AFR/WA); discussed the strategic plan and regional projects.
10-26	ALL	AID/W workshop on re-engineering for CELs
11	GOV	Political scientist Jim Bingen meets with Governance Group
March 1995:		
7	ALL	Focus Group with GRM Partners (Bamako) USAID Groups: Governance, WID, Information and Communication, Human Resources Development GRM Groups: Decentralization Mission, Controle General d'Etat, Ministry of Health, Commission for the Promotion of Women, Ministry of Finance and Commerce, Ministry of Artisanat, Industry and Tourism, Northern Commission, Commission for Administrative Reform, Ministry of Basic Education
9	ALL	Focus Group with PVO, NGO and Civil Associations (Bamako) USAID Groups: Governance, WID, Information and Communication, Human Resources Development PVO/NGO Groups: World Education, CARE, World Vision, World Education, Child Survival Pivot Group, CANEF, AED, Save the Children, Appropriate Technology International, CADEF, Microenterprise Pivot Group, Basic Education Pivot Group, OMAES
08	SEG	General Secretary of the Ministry of Rural Development, Moussa Dossolo Traore
14,20,21	SEG	Africare (Barbara Durr) and Appropriate Technology International (Jeff Felton)
15, 20	SEG	CARE (Steve Wallace)
21	SEG	INTSORMIL (Steve Mason)
18, 21	SEG	CLUSA (Curtiss Reed)
17,30	SEG	Mali Enterprise Network: AGF (Amadou Toure), SETRA (Moctar Diakite), Cabinet Fiscal Makanguile (Ibrahima Makanguile), APEP (Ousmane Sidibe), Pharmacie Lafia (Seydou Sow), ATS (Djibril Taboure), Clinique Farako (Mme Richard), Secretaire du Reseau (Irene Bart), Bally, S.A. (Moussadeck Bally), Gemarci (Bakary Traore), RECOMA (Moussa Diarra)
17	ALL	Meet with principal PVO partners Appropriate Technologies, World Vision, SCF, CARE, World Education, and Africare to explain re-

engineering and invite participation in the strategic planning process.

- 14-21 GOV Bob Shoemaker of Global Bureau's Democracy Center worked with the Governance Group and also met with all 11 group leaders and the individual groups.
- 23-24 ALL First strategic planning mini-retreat held to present progress and implicate partners and customers in the planning process with regional input from Medjomo Coulibaly (REDSO/Education).
- 31 ALL Re-engineering mini-retreat at the Grand Hotel with regional input from Rodney Johnson (Regional Legal Advisor, REDSO Abidjan) and Rod Kite (AFR/CWA). Rodney Johnson also met with the individual working groups during the week of the retreat.

April 1995:

- April ALL Groups reflect on customer/partner input, first mini-retreat results and begin development of strategic objectives, results packages and illustrative activities.
- 26-28 ALL Second mini-retreat facilitated by external consultant Sylvia Vriesendorp with goal development by consultant Brian Ames (DAI).

May 1995:

- 4 ALL Focus Group in Koutiala
USAID Groups: Governance, WID, Information and Communication, Sustainable Economic Growth
Associations: Mayor's Office, Transporters Union, Rural Radio Jamana, ADIDE, ADEMA, Youth Red Cross, CADEF, APDF, CAC, USRDA, Circle Commander
- 5 ALL Focus Group in Segou
USAID Groups: Governance, WID, Information and Communication, Sustainable Economic Growth
Associations: Regional Aid Office, Livestock Cooperative, Chambre of Agriculture, Governor's Development Counselor, Fishing Cooperative, Radio Foko, Vegetable Cooperative, Chamber of Commerce, ADEMA, Association of Livestock Producers, Women's Promotion Coordinator, Mayor's Office, Journal Yeko, ADIDE, CADEF, Radio Sido, PMPS, Youth Club Badegna, Club Badegna, USRDA
- 12-18 ALL Fatou Rigoulot (REDSO/Women in Development) invited to review the evolving strategic plan for gender issues and work with all

strategic planning and re-engineering working groups to improve gender content.

- 21-23 ALL Regional workshop in Bamako with Bill Pearson and Rodney Johnson (REDSO Abidjan), Anne Williams, Kifle Negash, Mamadou Kone (USAID/Dakar), and Keith Simmons (USAID/Niamey) to share re-engineering experiences, lessons learned, insights, feedback and input to the evolving USAID Mali Strategic Plan.

June 1995:

- 8 ALL Focus Group in Bamako with Arab and Islamic Associations
 USAID Groups: Governance, Youth, WID, Sustainable Economic Growth
 Associations: OISI, AMA, Moroccan Embassy, BDM, SA, Muslim Association of Sema I, Medersa Teachers Association, Servers of Allah, Franco-Arab Medersa of Badialan, Algerian and Egyptian Embassies
- 9 ALL Focus Group in Bamako with Youth Associations
 USAID Groups: Governance, Youth, Information and Communication, Sustainable Economic Growth
 Associations: Club UNESCO, OUA Youth, Coordination Group for Youth Associations & Organizations des Jeunes (CAOJ, 2), AJDP (2), Association of Friends of Enfants, Youth for Truth and Work, Youth Movement for Development
- 22 SEG Nyesigiso (Malle Safiatou Coulibaly and Oumou Sidibe), Freedom From Hunger (Peggy Roark)
- 23 ALL Meeting with young women in secondary schools and university
- 26-28 SEG AMIS II Project Team
- ? SEG EAGER Project Team
- 29 ALL Focus Group in Ouelessebougou with Rural Women
 USAID Groups: Governance, WID, Information and Communication
 Associations: Women's Organization of Doumbiala (10), Samakela (5), N'Teou (10), and Ouelebougou (10)
- 30 ALL Focus Group at ENA in Bamako with Youth
 USAID Groups: Governance
 Associations: ENA students (7), ENI (2), Club Anti-SIDA, Club OUA, Club UNESCO, ADIDE (3), CAOJ, AJDP (2), APJEP, ENSUP (2)
- SEG OHV (Yaya Togola and Arouna Diallo), AMELEF (Mamadou Traore)

July 1995:

17-25 ALL External consultant, Brian Ames, assists strategic planning working groups with indicator development.

August 1995:

ALL Final drafting, review and submission of the Strategic Plan.

ANNEX C: The Results Center

USAID Mali proposes to continually judge strategic objective achievement through the creation of a Results Center as the analytical engine charged with implementation of and adjustments to the overall strategic plan. The indicators, their benchmarks and final targets will be negotiated with each strategic objective and results package team. Regular on-going monitoring of interim progress and achievement will be the responsibility of the teams in concert with the Results Center. This separation of responsibility will require the Results Center to retain analytical but not operational responsibilities.

USAID Mali's primary aim is performance improvement to assist Malians with their development efforts in the most efficient and effective manner. The Results Center name continually evokes the Mission focus on optimizing results and impact to fulfill the Mission's vision of "More Mali, Less Aid." The purpose of the Center is to (1) keep USAID on track to achieve its program goal, leading to eventual phase-out of all activities in Mali, and (2) make USAID Mali a continuous learning organization.

The Center will work with each Strategic Objective team to continually analyze impact. Results, lessons learned, and data generated will be shared with partners and customers in Mali, and elsewhere, to change behavior, policy, strategies, and activities. The Center will support innovative activities and use information gained to guide funding decisions and strategic planning. Outreach activities will be the responsibility of the Information and Communications Special Objective Team in collaboration with the Results Center.

The Center will be composed of two divisions, Results and Innovation. The Results Division assists in monitoring and evaluating results packages and strategic objectives to maximize impact of Mission resources. This division will share monitoring and evaluation responsibility with the Strategic Objective teams; track progress towards meeting Strategic Objectives and the Mission Goal; and maximize impact of USAID activities in Mali through analysis, technical assistance, and dissemination. Results Division staff will collect information on activities of interest to the Mission to promote the cross-fertilization of ideas, including information from our extended teams and partners.

The Innovation Division will promote continuous learning by encouraging innovation and creativity *vis-a-vis* development needs by awarding innovation grants and reviewing USAID structure and directions. Innovation grants will fund short-term activities, excluding training, which lead to new projects or directions for development. This process will involve reviewing applications, awarding grants and monitoring funded activities.

The Center will achieve its purpose through well-defined analysis of programs and projects designed to improve the impact and performance of USAID Mali. Questions to be addressed include: what happened, why did it happen, what needs to happen, and when does it need

to happen. For example, USAID currently funds basic education activities, but when should the focus shift to secondary education to further achieve our Mission goal ? The Center is a think-tank composed of analysts, not hands-on technical specialists, who use data to inform the decision-making process.

Sample activities of the Center include:

RESULTS. Center staff will work with evaluation and monitoring personnel in each Strategic Objective team to ensure the Mission gathers appropriate data to demonstrate impact of project activities. The Center monitors Mission progress toward the overall Mission goal.

PROCESS, PROGRESS, AND IMPACT OF RE-ENGINEERING. The Center will chart the process, progress, and impact of re-engineering on the Mission. To promote continuous learning, Center staff will examine mission activities to ensure USAID is functioning optimally to achieve maximum impact.

ENCOURAGEMENT AND USE OF INNOVATION. Center staff will solicit and identify innovative ideas for funding by Strategic Objective teams. Small grants will be awarded to improve, change or initiate new project activities within USAID or among our existing or potential partner institutions.

IMPACT REPORTS. Center staff will produce "impact reports" to provide information on USAID activities and their impact. These reports serve as the information source for dissemination activities of the Information and Communications Special Objective Team.

LESSONS LEARNED. Lessons learned from re-engineering, project activities, and other aspects of USAID operations, will be shared with USAID staff and partners.

INFORMATION GATHERING AT STRATEGIC OBJECTIVE LEVEL. Center staff will assist Strategic Objective teams to gather information for measuring the impact of USAID activities. The Center Director, ultimately responsible for production and dissemination of USAID Mali information, will define the information requirements in concert with the Strategic Objective and Results Package Teams.

PROGRESS TOWARDS FINAL PULL-OUT DATE. USAID's goal is to eventually cease foreign assistance activities in Mali. The Center is responsible for measuring progress towards this goal through specific indicators such as life expectancy, primary and secondary education levels, availability of health services, per capita GNP, etc.

CONCLUSION. The Center will be an innovator, an analytical hub, and a catalyst for improving Mission activities and operations. The Center ensures lessons learned from USAID's experience are communicated to partners. The Results Center is a source of continuous learning, as it interacts with both Mission staff and the outside world through close cooperation with the Information and Communications Special Objective Team.

ANNEX D: USAID Mali Ten-Year Retrospective

Since 1985 the United States has provided Mali \$318 million of bilateral developmental aid, \$34 million in food aid and \$17 million for specialized training and university education. This total of \$369 million in American aid to Mali over the past 10 years comes to about 14 cents per U.S. citizen per year. Has this all gone down a rathole ?

1. GOOD FOR MALI, GOOD FOR U.S.

--Money Stays Home:

28% of the developmental aid purchased \$90 million worth of U.S. goods, and 22% purchased \$70 million of services from the U.S. This \$160 million, plus food aid valued at \$34 million, returned to stimulate the US economy as well as assist Mali. When coupled with the \$17 million for training, 87% of which was US based, the total returned to the US economy was \$209 million. This represents 57% of total aid provided to Mali by the US. Among commodity purchases from the U.S., computers and Jeeps are especially significant.

--Computers are Us:

Approximately \$3.5 million worth of U.S. computers bought by USAID programs helped to penetrate the Malian market which now is predominantly U.S. supplied in hardware and and software.

--Chrysler's Desert Jeep-ers:

Without USAID there would be no Jeep/Chrysler market in West Africa. USAID programs have financed directly over 140 Jeep and other Chrysler vehicles worth \$2.5 million in Mali. Because of USAID, Chrysler established a regional dealership in Bamako linked to dealers in Senegal, Ivory Coast and other West African countries. The demonstration effect of this presence has spurred private sales of more than 500 additional Jeeps, re-establishing the presence of American vehicles in the region. Annual spare part purchases from the U.S. for Jeeps add another \$300,000 of U.S. exports to Mali.

--Training Tomorrow's Leaders:

USAID has sent over 700 Malians to the U.S. for training and higher education in the past four years. Some 87% of the \$17 million spent for training went to U.S. institutions located in 46 states. Another direct benefit: U.S. trained Malians are more open to policy reform, market liberalization, and introduction of democratic principles--the key building blocks in nation building.

--Boosting Exports:

Another tangible benefit--to the U.S.--of the USAID program to liberalize and modernize Malian agriculture is the expansion of the market for U.S. machinery. One recent example: The largest Malian cotton producer recently ordered two U.S. manufactured cotton ginning mills worth \$3.8 million. There would not have been a need for these machines had USAID not provided extension and literacy services in the production zone and pushed for agricultural pricing reform.

2. SALE FOR DEMOCRACY

--One Person, One Vote:

USAID financed in 1991 the establishment of representative government in Mali by financing 9,000 voting booths and election training. These USAID funded goods and services made possible - for the first time in Mali's history - a free and open national election. Since this first critical step to democratic governance, Malians insist on more open and free institutions throughout their society.

--Paying Their Fair Share:

A USAID workshop for municipal officials, politicians and community representatives demonstrated how public services can be re-organized to generate sustainable revenues for municipalities. One year after the seminar, a participating community increased municipal revenues by 300%; another community increased monthly tax receipts by 72%. Both communities now have a stronger sense of self-governance and their citizens recognize the value of democratic participation in running public affairs.

--Mali Free Press:

USAID's successful rural loan program had a secondary effect: emergence of a rural free press. Where before only government-controlled information was available, the new private press provides market information and encourages empowerment of rural citizens in local and regional government affairs.

3. STRENGTHENING THE FREE MARKET BRINGS PROSPERITY

--Green Bean Revolution:

USAID is directly responsible for developing a new and fast expanding fresh vegetable export industry. Non-existent three years ago, exports of green beans and other fresh produce, mostly to Europe, are expected to reach \$0.6 million in 1995, and to double that by 1996.

--Hooved Exports:

Malian livestock owners are taking full advantage of last years U.S.-backed currency devaluation and USAID's long-standing program to increase livestock exports. Malian livestock exports have doubled since the devaluation, earning \$28 million in over the past year.

--Freedom from Hunger:

USAID has financed agricultural Research and Development supporting on-farm as well as pure research. Farmers have used research results to increase cereal production in a spectacular way: cereal production increased from an annual 1.5 million tons in the 1980's to 2.6 million tons in 1994.

--Hide Bound:

Transition of Mali from a state-imposed socialist system to a free-market economy has been strongly encouraged by USAID through direct policy dialogue and a major policy reform project. In 1995, Mali is characterized as a free market economy where most all prices are determined by supply and demand. USAID's emphasis on economic liberalization has paid off handsomely, as witnessed by increased local private investment. A U.S. firm recently bought the largest Malian tannery, available on the market under the privatization program. Exports of treated hides to Europe have grown many fold for this new U.S. company, earning foreign exchange for Mali and profits for the new American owner.

--Rice Rags to Riches:

USAID led the drive to introduce free market principles to Mali's rice sector by liberalizing marketing and eliminating price controls. The result is that dominance of the rice market by a handful of large traders has ceased as thousands of new producers, millers, wholesalers, and new private traders have made the market more competitive. Over the past five years rice production as well as yields have almost doubled in Mali. By following market incentives, Mali - once an importer of rice - is now fully self sufficient and has a slight surplus in 1995.

--Taxes Fall, Exports Rise:

USAID led the attack to eliminate Mali's notoriously counter-productive export tax. The country has already seen its exports rise 18% over the last 12 months.

--Taking Credit:

USAID is actively involved in credit programs totalling \$8 million. These programs support microenterprise development, increased economic output from small producers and more efficient marketing and processing of agricultural products. Credit programs have resulted in the creation of over 9,000 new businesses.

Almost 3,000 women have been trained and organized to manage credit unions. Rural credit to farmer organizations has increased agricultural output on 10,000 farms by 20%, reflecting an economic gain of more than \$2 million per year.

4. **SAVING THE CHILDREN**

--Caring For The Future:

USAID has funded U.S. Private Voluntary Organizations (PVOs) in many areas of Mali. Africare extends child health and nutritional activities to over 160,000 infants and children, effectively reducing infant mortality by 20% in target areas. CARE initiatives to increase community health care availability affect some 250,000 people. World Vision has developed agricultural extension plots to increase food production in food deficit areas that affect 80,000 people. World Education supports community initiatives in early education and pollution control affecting 145,000 households.

--Fine Grain:

PVO-managed Food for Peace-supported initiatives have reduced malnutrition for 32,000 women and children and eliminated it for 14,000 children in another program. In one area of Mali, a PVO manages a basic weaning program that provides basic high nutrition rations to 14,000 pregnant mothers. Another Food-for-Peace supported PVO activity increased gardening revenues, and fishing yields, and expanded re-forestation activities affecting more than 40,000 persons.

--Protecting Mali's Mothers:

At a cost of approximately \$320,000 USAID distributed in Mali 3.9 million condoms which likely prevented 9,000 new cases of sexually transmitted diseases from being contracted (including AIDS) as well as helped avoid approximately 24,000 unwanted pregnancies. Three years ago condom sales were virtually 0: Mali has one of the highest fertility rates in the world.

--Educate A Girl, Educate The Nation:

In a country with the lowest rate of girls attending primary school, USAID is directly responsible for a 67% increase of primary school attendance by girls over the 5-year period 1988-1994.

5. **FROM FOOD AID TO FOOD EXPORTS**

--Food Aid And Local Reforms:

U.S. food aid has averted several catastrophies in this country long prone to droughts that result in severe food shortages. However, U.S. food aid has also

been used to encourage agriculture reforms and increased productivity. Through food aid, agricultural research, training of Malians, price reform, and introduction of new on-farm techniques, USAID contributed significantly to Mali's 75% food production increase over 1981-1989. More important: Mali is now food self sufficient. This also means that, outside of catastrophic droughts, future food needs will likely not require U.S. direct assistance since the country's strategic reserves are now fully replenished.

--Averting Hunger and High-Cost Disaster Responses:

Some USAID-financed activities are purely preventive in nature. Our Famine Early Warning (FEWS) project in 1990 identified through market analysis a food crisis developing in an extremely isolated corner of Mali. Because of the early warning, food stocks totalling 5,000 metric tons were pre-ordered and shipped via surface to the endangered area. An estimated 28,000 lives were saved by this initiative at a 1990 cost of only \$170,000. Without the early warning the cost of air freighting food to avert starvation would have totalled millions.

6. TIGHT AS A DRUM

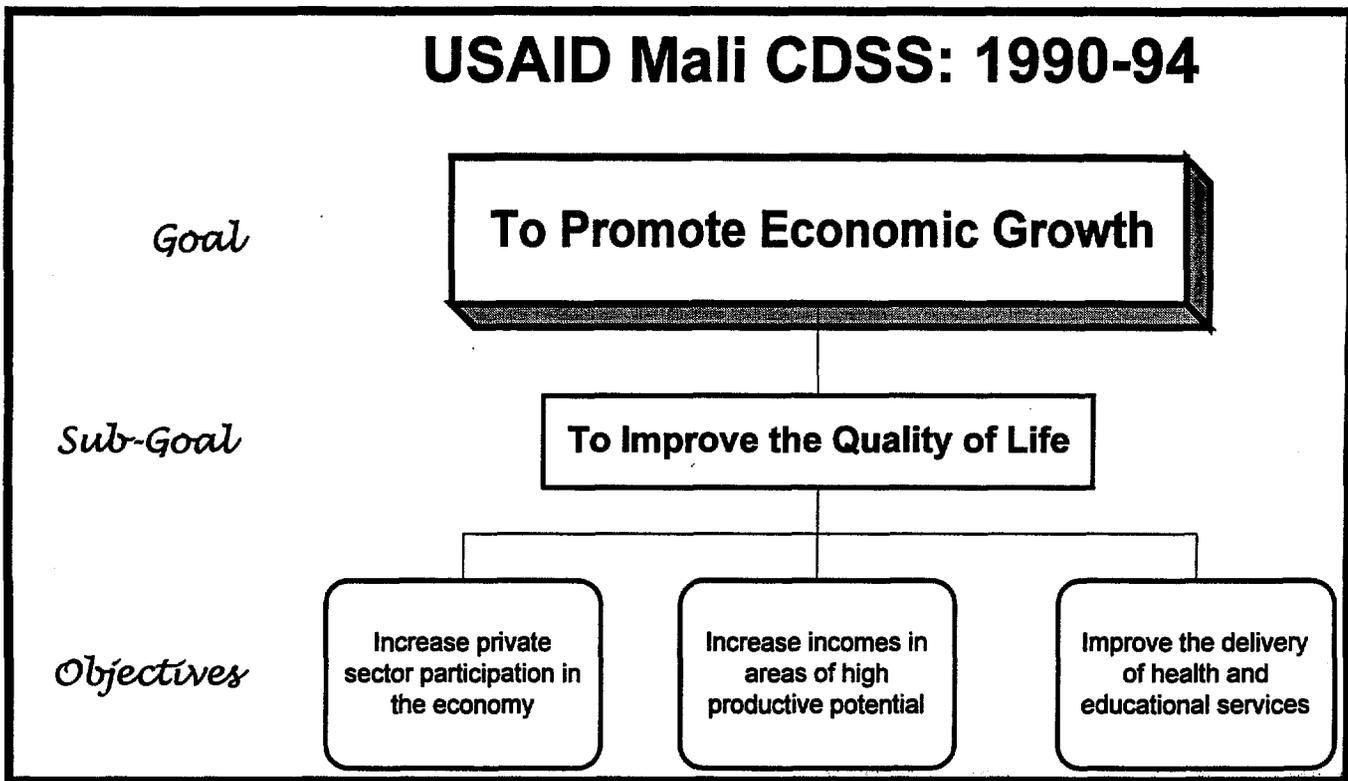
--Every Penny Accounted For:

USAID assistance to Mali is substantial but every dollar can be accounted for. Every activity (over \$25,000) is subject to financial audit. Since 1988, Federal audits have made 52 recommendations calling for recovery of \$111,617 from implementing agencies. Thus, for a total project funding of over \$180 million, well less than 1% has been dis-allowed. Of this 1%, almost 25% has been repaid and bills of collection for the remainder have been delivered.

The USAID overhead is approximately 18% of annual development fund obligations. Not much fat here.

March 1995

ANNEX E: USAID Mali CDSS 1990-94: Goals and Objectives



ANNEX F: USAID Mali OYB and Agency Priorities

**Congressional Presentation
Fiscal Year 1996**

DFA	\$34,990,331
DAF	800,000
Title II	309,000
TOTAL	\$36,099,331

#	Strategic Objective	Area of Concentration	AMOUNT	TOTAL
1	Increase private sector participation in the economy	Economic Growth	7,000,000	7,000,000
2	Increase incomes in areas of high productive potential	Economic Growth	10,000,000	12,962,234
		Environmental Protection	2,962,234	
3	Improve the delivery of health and educational services	Economic Growth	11,269,345	15,568,717
		Stabilizing Population Growth	4,299,372	
*		Democracy & Governance	259,380	259,380
*		Humanitarian Assistance	309,000	309,000
TOTAL			36,099,331	36,099,331

	AID/W & USAID Mali Obligations Area of Concentration	FY 1997 Agency Wide		FY 1996 - USAID Mali	
				%	USD (\$)
1	Economic Growth		50%	78%	28,269,345
	Economic Growth	25%		47%	
	Human Development	25%		31%	
2	Population	27%	27%	12%	4,299,372
3	Environment	15%	15%	8%	2,962,234
4	Democracy & Governance	8%	8%	1%	259,380
5	Humanitarian Assistance			1%	309,000
TOTAL		100%	100%	100%	36,099,331

ANNEX G: General Goal Level Indicators

Mali: Goal Target Indicator Scenarios				
Indicators	Mali Now	Low	Medium	High
		Cote d'Ivoire	Group II LMIC Dominican Rep. Thailand, Turkey	UMIC Brazil, Mexico Malaysia, Korea
	(\$310)	(\$757)	(\$1,623)	(\$3,955)
1 Economic				
Per Capita GNP	\$310	\$757	\$1,623	\$3,955
Population Growth Rate	3%	3%	3%	3%
Real GDP Growth Rate	5%	5.0 - 7.0%	5.0 - 7.0%	7.0 - 10.0%
Per capita GNP Growth Rate	2%	2.0 - 4.0%	2.3 - 4.3%	4.5 - 7.5%
2 Population				
Crude Birth Rate	50	40	30	26
Crude Death Rate	18	13	9	9
Mar. Women Using Contr.	5%	15%	30%	60%
3 Health				
Access to Safe Drinking Water	11%	52%	76%	88%
Urban	41%	55%	91%	95%
Rural	4%	50%	67%	73%
Access to Sanitation	24%	69%	90%	88%
Urban	81%	69%	95%	93%
Rural	10%	69%	84%	71%
Maternal Mortality Rate	850	660	193	119
Infant Mortality Rate	130	73	40	26
Under 5 Mortality Rate				
Male	189	109	47	29
Female	212	125	54	35
Prevalence of Malnutrition (<5)	25%	13%	12%	11%
Population Per Physician	19,450	14,920	2,810	1,383
4 Education				
Primary Enrollment Rate				
Total	25	76	112	108
Female	19	67	99	107
Pupil Teacher Ratio	47	49	31	24
Primary Completion Rate	50	75	66	72
Female to Males (Primary)	58	76	94	94
5 Infrastructure				
Road Density	308	399	439	875
Roads in Good Condition	63	47	51	59
Electricity Production	24	164	844	1,947
Telephones	1	5	65	154
Newspapers	0.1	0.7	5.9	13.2
Radios	4	13	17	46

Source: World Development Report 1994

ANNEX H: List of Supporting Documents

(available upon request from the USAID Mali Program Office in electronic or hardcopy format)

- (1) **"What Other Donors are Doing: By Strategic Objective, Results Package and Activity,"** Cheryl Jennings, USAID Mali Program Office, August 1995.
- (2) **"Mali Macroeconomic Review: Final Report,"** Brian Ames, DAI, USAID Mali Report, July 1995.
- (3) **"Mali Strategy Planning Paper,"** Brian Ames, DAI, USAID Mali Report, July 1995.
- (4) **"Comments and Recommendations on Incorporating Gender/WID Concerns into Mission's Strategic Objectives,"** Fatou Rigoulot, USAID/REDSO Abidjan, 18 May 1995.
- (5) **"Program Assessment of USAID/Mali's PVOs and NGOs Activities: Prospects for Enhanced Collaboration and Success,"** Curt D. Grimm, Lillian Baer, Yacouba Konaté and Tiémoko Diallo, April 1995.
- (6) **"The New Partnership Initiative: Strengthening Grassroots Political and Economic Institutions,"** AID/W Global Bureau, revised draft version dated March 30, 1995.
- (7) **"Preparing for the Future: A vision of West Africa in the Year 2020,"** Summary Report of the West Africa Long-Term Perspective Study, Club du Sahel, CILSS, CINERGIE, March 1995.
- (8) **"Economic Management in the Sahel: A Study of Policy Advocacy in Mali,"** Henri Josserand and R. James Bingen in collaboration with Cheibane Coulibaly, Tiémoko Diallo, and Edmond Dembelé, Decentralization: Finance and Management Project, Contract No. DHR 5446-Z-00-7033-00, February 1995.
- (9) **"Mali: Conférence de Table Ronde,"** Ministère des Affaires Etrangères, des Maliens de l'Exterieur et de l'Intégration Africaine, Genève, September 1994.
- (10) **"Democracy Project Identification Document (PID),"** David Atteberry and David Miller, USAID Mali, 1994.
- (11) **"Key Factors in Establishing Foundations and Endowments in Mali,"** John T. Rigby, Ellen E. Tipper, Mohamed Thiam, Zoumana Doumbia, et al, November 1993.

ANNEX I: Endnotes

- ¹ James Wolfensohn chose Mali as one of five countries to visit in Africa during his trip to the continent in June and July 1995. Mali and Ivory Coast were the only Francophone countries whose governments were sufficiently committed to reform to warrant a visit by the new head of the World Bank.
- ² Roughly one-third of the continent's population resides in francophone countries.
- ³ Of an original 66 state enterprises, 29 have been liquidated and 15 privatized and others have been restructured (OPAM, Office du Niger, etc.) during the period 1988 through 1994.
- ⁴ Producer floor price for cotton was increased from 85 to 125 FCFA (47%) for the 1994/95 season following the devaluation.
- ⁵ The French West African Franc is valued at 500 FCFA per US dollar (500 FCFA/\$) throughout this document.
- ⁶ The GRM has committed to finalize and adopt a complete privatization plan by December 1995 to be implemented by the end of 1997. The GRM is expected to sell their minority stakes in FRUITEMA, SOMACO (conserves) and SONAM (navigation) while CNAR (insurance), ULB (dairy), AFB (slaughterhouse), OTER (rural works) and Kalana (gold) will be fully privatized.
- ⁷ The last rebel group joined the peace process in mid-June 1995 to bring an end to hostilities.
- ⁸ Over 80 titles (daily, weekly, monthly newspapers or magazines) in Mali (see Josserand and Bingen).
- ⁹ There are, at present, 18 private radio stations in Bamako with an additional dozen stations outside Bamako.
- ¹⁰ "World Development Report - 1994," World Bank.
- ¹¹ "Human Development Report - 1994," UNDP.
- ¹² 25% of the pertinent age group in 1991, a world low shared with Ethiopia, and for girls Mali has the world's lowest rate of enrollment at 19%. (World Development Report - 1994, World Bank). The "first-grade intake rate" of 24% is also the lowest in the world (Human Development Report -1994, UNDP).
- ¹³ Roughly one-third of all adults are literate and only one-quarter of adult women.
- ¹⁴ Only 15% of births in 1992 were with women over 35 years of age, leaving 65% of all births in the age group 20 to 35.
- ¹⁵ "Human Development Report - 1994," UNDP, data from 1992.

- ¹⁶ "World Development Report - 1994," World Bank, data from 1988.
- ¹⁷ Canada: *Barrick Gold Corporation* (Kadiolo and Sadiola Cercles), \$5 million
International Tournigan Corporation (Kéniéba Cercle), \$1 million
 Australia: *Broken Hill Properties*
 South Africa: *Consolidated Mining Corporation* (Kéniéba Cercle), \$1.7 million
 Joint: *Société d'Exploitation des Mines d'Or de Sadiola (SEMOS)*, \$250 million
 Anglo-American (South Africa, 38%), IAMGOLD (Canada, 38%), GRM (18%), IFC (6%)
Algona Trading, SARL (Mali, 80%) (Kangaba Cercle), \$2 million, GRM (20%)
Johannesburg Consolidated Investment Co. and a Ghanaian mining company (Kalana mine).
- ¹⁸ Supported through the Promoting Population Policy Development Project (PPPD, 625-0978) and the Programs for Applied Development Research in the Sahel Project (PADRES, 698-0980), respectively.
- ¹⁹ Given anticipated funding constraints, USAID Mali does recommend a more formalized agreement on technical, financial, and administrative oversight responsibilities and cost sharing for these two projects between USAID/Mali and AFR/WA.
- ²⁰ MaliNet is a newly-established (January 1995) local network, providing e-mail services, informational databases and, potentially, Internet connectivity.
- ²¹ From "World Development Report - 1994," World Bank, with most recent data from 1992.
- ²² Capital flight is unsurprising for this period because 1991 was the height of the political instability that led to the overthrow of the Moussa Traoré regime.
- ²³ The 1992 primary school enrollment rates of 25% total and 19% girls in 1992 are the lowest reported in the World Development Report (World Bank, 1994).
- ²⁴ The New Partnership Initiative elegantly captured the importance of multi-sectoral programs: "Just as the pursuit of sustainable development would be hampered by the parochial pursuit of single sector strategies, grassroots empowerment must be a consolidated effort to build and foster multiple channels of development effort."
- ²⁵ These data were collected during the last decadal census in 1987.
- ²⁶ For more information on the risks of pregnancy among adolescents, see "High-Risk Births and Maternity Care", DHS Comparative Studies No. 8, Macro International Inc., Columbia, Maryland, 1993 and "Problems Related to Schoolgirl Pregnancies in Burkina Faso", *Studies in Family Planning*, Vol 24, No.5, 1993: 283-294.
- ²⁷ See "Adolescent Women in Sub-Saharan Africa; A Chartbook on Marriage and Childbearing", Demographic and Health Surveys, Macro International, 1992.

- ²⁸ Primary enrollment has increased by 60% overall (from 311,873 to 497,869) and 67% for girls; the percentage of seven-year old girls entering 1st grade has increased by 83% (from 21,534 to 39,606); of 1,000 cohorts entering 1st grade, 411 graduated in 1993, an increase of over 60% from 1989; gross enrollment rates have risen almost 50% (from 22% to 32%); and drop-out rates decreased by 70% (from 10% to 3%).
- ²⁹ The relationship between universal primary education and sustainable economic growth is evident in the experience of Southeast Asian countries like Indonesia, Malaysia, and Thailand. In the 1960's their level of economic development was comparable to that of Sub-Saharan African countries in the 1990's. During the 1960's these three countries succeeded in generalizing primary education and stabilizing their population growth. Their 1965 rates for gross enrollment, over 15 year old illiteracy and population growth were 80%, 35.3% and 2.7% versus 1990 rates for Sub-Saharan African countries of 68%, 50% and 3.1%. Human capital investments made by these Southeast Asian countries paid-off with increased economic growth rates in the 1970's and are now among the fastest growing economies in the world today.
- ³⁰ Mali's performance under the Enhanced Structural Adjustment Facility of the IMF, outlined in Part I of this Strategic Plan, attests to the successful progress achieved on the path to economic stabilization.
- ³¹ The agricultural sector accounts for 49% of the Gross Domestic Product and employs 80% of the economically active population.
- ³² Direct transfer of \$10 million per year to a Malian population of roughly 9.5 million would result in roughly \$1.05 (or 525 FCFA) per person.
- ³³ The IMF estimates Mali's 1994 GDP at 1,038 billion FCFA.
- ³⁴ The FCFA franc was devalued in January 1994 from 50 to 100 FCFA for one French Franc.
- ³⁵ The IMF estimates domestic savings of 6.6% of GDP in 1993 compared to total savings of 21.9%.
- ³⁶ General Agreement on Tariffs and Trade.
- ³⁷ Cotton export earnings account for roughly 50% of total export value.
- ³⁸ UCOVEC (Kolondieba), Kafo Jiginew (Koutiala), Nyèsigiso (Ségou), CANEF (Bougouni), etc.
- ³⁹ PVO Program Assessment by Grimm, Konate, Baer and Diallo, 1995.
- ⁴⁰ Germany (GTZ), Canada, France, Netherlands, UNDP and the European Union.
- ⁴¹ *Organisation pour la Recherche Scientifique et Technique Outre-Mer*, a French scientific and technical research institution.

- ⁴² Tata Informatique, Tamela Systems, Burotic, MicroStore and others.
- ⁴³ FidoNet is a low-cost, dial-up, store and forward e-mail system that provides an affordable alternative to full MaliNet connections. A FidoNet node would provide e-mail service and a link to the broader MaliNet network.
- ⁴⁴ In concert with other federal agencies, AID is sponsoring the "Leland Initiative" (in honor of the late Congressman, Mickey Leland) in which USAID leads a multi-agency "Global Information Infrastructure" development program for Africa. The basic premise of the initiative is that *"Building the Global Information Infrastructure and having access to it is a prerequisite for sustainable development. It is through global connections, i.e. those that reach large segments of the world's population, that we will derive robust and sustainable economic progress, strong democracies, better solutions to global and local environmental challenges, and improved health care."*